

THE Hongkong Weekly Press

AND China Overland Trade Report.

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MARRIAGE.

On April 28th, at Shanghai, FRANCIS BERNARD PITCAIRN, to JEANNE AERANGER.

DEATHS.

On April 27th, at Newchwang, HENRY STEVENS LAWRENCE, aged 64 years.

On April 29th, at Shanghai, L. ROSENFELD, aged 84 years.

On May 4th, at London, H. M. BEVIS, of the Hongkong and Shanghai Banking Corporation. (By cable).

On May 6th, JEHENGIE NOWBOJEE KATRAK, cotton and yarn broker.

Hongkong Weekly Press.

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ARRIVAL OF MAILS.

The French Mail of April 13th arrived, per the ss. *Salasie* to-day, the 14th instant; and the English Mail of April 17th is due to arrive, per the ss. *Oceana*, on Wednesday, the 16th instant.

FAR EASTERN NEWS.

Shanghai is arranging to establish its horticultural society on a broader basis.

Official opposition is still being vigorously directed against the operations of the Peking Syndicate.

The Chinese Government, following Viceroy Yuan's lead, has decided to do away with useless flowers of language in official documents.

The total receipts at the Hongkong Treasury between January 1st and Feb. 28th amounted to \$1,607,631.51, while the total payments out were \$1,862,653.65.

Mr. C. G. Wilder, successor to General Bragg as American Consul General for Hongkong, arrived on May 7th by the s.s. *Siberia*. He was accompanied by his wife and two children.

On the top of Pehyushan at Port Arthur, surmounting a vast sepulchre where the bones of 20,000 Russians and Japanese lie together is to be erected a huge obelisk surmounted by a twelve-inch shell.

In the week ending May 5th there were 61 cases of plague, 58 of which were fatal. At noon on May 7th, 23 more cases were added, of which twenty were fatal. From January 1st to that date, the total cases numbered 328, fatalities 309.

Mr. E. C. Wilks, of Messrs. Wilks and Jack, left for the scene of the wreck of the steamer *M. Struve* on May 10. This firm of engineers recently purchased the wreck, and Mr. Wilks is visiting it to see what prospect there is of getting the vessel off the rocks.

A number of missionary societies in England joined in presenting Duke Tsai-tee and his Mission with bibles and an address. The Chinese priests at Hongkong seem to have missed an opportunity: they should have tried to convert Prince Arthur of Connaught when he came as a guest.

A man, about 62 years of age, was found at West Point on May 10th lying in the middle of the road with his head cut open and one of his legs broken. He was taken to the hospital, where the explanation was offered that the unfortunate man had been knocked down by a tramcar. He died soon after.

The body of a Chinaman, who had been apparently dead for some time, has just been discovered by the New Territory Police under circumstances which point to murder. Deceased, who was a farmer at Ping Shan, had a wound on his forehead. A native has been arrested in connection with the affair.

Last year (1905) was a record year for shipping at Yokohama. The vessels engaged in foreign trade only, entered and cleared, nearly touched the three million tons mark. The previous highest was in 1903, when the tonnage was two and a half millions. In addition there were about 1,750,000 tons of domestic trade entered and cleared.

A duel with swords has taken place between M. Laumonier, directeur of the *Avenir du Tonkin*, and M. Laumont, of the *Courrier d'Haiphong*. In the first encounter the former was slightly wounded on the right arm, after which the adversaries became "reconciled on the ground". They had quarrelled over a newspaper controversy.

The *Ha kow Daily News* says:—We learn from good authority that Viceroy Chang Chit-tung is making arrangements for the growing of sugar beet in this province on a large scale. If successful H.E. intends to erect a large plant for the manufacture of beet sugar. We do not doubt that the sugar beet will be a thankful plant to cultivate and wish the new enterprise good success.

Mr. David J. Lennox has resigned the secretaryship of the Institution of Engineers and Shipbuilders, and succeeds Mr. C. B. Buyers as superintendent of the Peak tramway. Mr. Buyers is going home on leave.

The Mitsui Bussan Kaisha has obtained the privilege of supplying the Chinese Government with arms. The firm will carry on the business with a capital of 250,000 taels, and have already established a head office at Shanghai.

In spite of the heavy rain the Spring Flower and Vegetable Show of the Amoy Horticultural Society was held on April 19th, but only at the Masonic Hall, Kulangsu. The officials were:—Judges of flowers, Messrs H. F. Rankin and V. G. Savi; vegetables, Messrs J. G. Goetz and H. F. Rankin; Committee:—Messrs W. H. Wallace, A. F. Gardiner, H. F. Rankin and W. Kruse; Hon. secretary, J. Arthur.

A Peking dispatch states that H. E. Viceroy Tsên Ch'un-hsuen, who has strenuously opposed the building of the Kowloon-Canton Railway by British capitalists alone, demanding that the line should be constructed conjointly by British and Chinese, has been informed by the Waiwupu that his object has been accomplished and that that Board has signed an agreement to that effect with the British Minister in Peking.

Some French and British capitalists propose to establish a river service by tugs between Chungking and Ichang. It is proposed to place at the various rapids specially constructed "rapid-boats" which will be worked by steam-driven drums, one in each boat, operating on a cable. It is maintained that by these means the dangers and difficulties incidental to the navigation of this part of the Yangtze will be overcome.

According to a Peking telegram, the Chinese Foreign Office has replied through the Japanese Minister to the Japanese Note regarding the opening of Mukden and other places in Manchuria. The reply stated that although the Chinese Government was inclined to open those places without delay, yet it would be impossible to do so on the dates fixed by the Japanese Government, according to the reports of the Peking Minister and the Mukden General.

Duke P'u Tung (?) of the Imperial House, has been appointed to proceed to Northern Chinese Turkistan (Ili) and Uliassutai, outer Mongolia, to make a report on the condition of the Russians on the frontier line there and to reorganise, if possible, without delay, the Mongol nomad tribes in that region. These Mongols are brave and expert horsemen and would make splendid irregular cavalry to the Imperial armies just as, it is said, the Cossacks are for the Russian army.

A memorial to the Throne from H. E. Ting Chen-to, Viceroy of Yunnan and Kweichow provinces, to be permitted to establish a mint in the city of Yunnan for the coinage of silver dollars and subsidiary money, to take the place of foreign money now being widely circulated in his Viceroyalty on account of the scarcity of Chinese money itself, has been refused by Imperial Rescript, on the joint recommendation of the Board of Revenue and Financial Council. The Viceroy is, however, given the option of applying to the Minting Bureau of the Nanyang Administration (Nanking and Canton) to coin for him as many dollars and as much subsidiary money as he wishes.

CHINESE ECONOMIC PROBLEMS.

(Daily Press, 5th May.)

Spring storms and summer floods, together with war effects and the boycott, accounted for the diminished export of China's main staples in 1905; so Mr. H. B. MORSE tells us in his annual report based on Customs returns. The reduced silk output, if our Canton correspondent be not mistaken, is likely to be repeated this year; and it follows that while producing less, the Chinese in the interior will buy less, a reflection that augurs no good for trade generally. As there was at the end of 1904 a "general anticipation of brilliant trade prospects for the coming year", however, we may hope for a more agreeable disappointment this year. We do not attach quite so much importance to what is called "the balance of trade" (as measured between recorded imports and exports) as the Customs people do; the demand in China continues to grow, even when the immediate power to purchase does not, and it is this to which commercial faith may turn. The boycott caused a real dislocation of trade, affecting more than American goods, but we suspect that its moral effect has not been what its hot-headed supporters hoped. The whilom customer may be assumed to share some of the feeling of EVE, foreign goods representing the forbidden fruit.

It is gratifying to read that owing to the erratic fluctuations of exchange, "every calculation of the merchant has been upset. . . . No prescience could have enabled merchants to insure against these fluctuations". We regard it as gratifying because a certain pride of financial prescience is presumed to be at the back of the aversion to currency reform; and such surprises may awaken interest in the proposals for stabilisation of exchange. With reference to the alleged excessive mintage of copper cash, the STATISTICAL SECRETARY sounds a note that appears new at the moment, when the sudden depreciation of this subsidiary currency has prompted so many protests and reflections upon the economic folly of provincial governments. He holds that there is no economic reason why all the output, enormous as it has been, should not be absorbed into circulation, meeting a genuine need. The depreciation is said to have been due to a kind of official squeeze, in which an important governmental establishment, having a large staff of workmen, and drawing large accounts in copper coin from the treasury, refused to receive the cents except at a ten-per-cent. discount. In his previous report, Mr. MORSE prophesied that if the workers of China were obliged to use ten-cash pieces, instead of the smaller currency, their "little comforts will be cut off, and the men who now support a family in comfort on sixpence a day will find themselves reduced to the level of a bare subsistence". He now reminds us that the silver price of rice is rising; that a depreciated currency ousts all others, fixing the price of commodities; and that wages do not rise in sympathy. Therefore, the argument runs, the Chinese peasantry are now committed to a depth of poverty to which even they have been unaccustomed. There are few speculations more puzzling than these intricacies of money, food, and labour. Equally plausible would seem the argument that the circumstances thus outlined should prove an incentive to increased production in China, of which, we have been told, the country is capable. But nothing is so easy as to make these deductions, and nothing less satisfying than these abstract conclusions. As a practical issue, it is

interesting to see that our present authority denies that there has been an over-production of copper coinage, and denies that it has been of a quality to necessitate depreciation. He says:

"Considering the large issue within a short time, their appearance is creditable; and analysis of specimens of various Mints taken at random shows that, while some are of pure copper and others contain up to 5 per cent. alloy, they all contain within a small margin of 7½ grammes of copper. There were small issues of brass cents from several Mints, containing between 70 and 80 per cent. of copper, but these were not persisted in. On the question of over-issue, it will be admitted that it is not easy, within a limited time, for a population of 400 millions, and that a *per capita* circulation of 25 cents in the retail currency of the people is not excessive, when we see that the circulation in the United States of America (gold \$15.00) is 120 times as great; for it must be remembered that copper in China performs most of the functions of gold, silver, and copper in the West, the place of silver in China being rather filled by cheques and bank or government notes in the West; the true comparison, however, is to say that in China the *per capita* circulation of cents (excluding the cash from consideration) is 1½ days, and in America 10 days, wages of an unskilled workman. Though these objections are not well taken, an evil of great and increasing dimensions unquestionably exists; an evil requiring no special attention twelve months ago, easy of adjustment six months ago, presenting a difficult problem now, and becoming increasingly difficult and more costly in its solution with every day that passes without a wise remedy being provided. Even at the present stage a satisfactory solution will probably cost the Imperial exchequer a sum fully equal to all that has been taken as seigniorage profits in the provinces, and delay will only add to the cost by the necessity of appeasing an angry and discontented populace. One step has been taken in the right direction, by an Imperial rescript directing that from the 24th April, 1906, all Mints shall be placed under the Imperial Board of Revenue. This is a very necessary step, and now there remains but one measure of regulation to be adopted, assuming that the Imperial government accepts as its own the previous issues of the provincial Mints; the government which, by one of its branches, issues these coins at a certain face value must, in all its branches, accept the coins in payment of all dues and at the same value."

The reasonableness and justice of this obligation appears so apparent that we expect it to be instantly admitted—in any other quarter than Peking. It is to be hoped that the report from which we have been quoting will receive serious attention even there.

THE CHINA ASSOCIATION REPORT.

(Daily Press, 7th May.)

The annual report of the China Association reaches us rather late, after we have published our report of the meeting, and our London correspondent's comments thereon. There are, however, the numerous features of interest usual in this conscientious review of matters Oriental; and we will follow our custom of quoting salient passages only. It is gratifying to us to note that the report ignores the critics of the Anglo-Japanese Alliance, those who believe that the day is not past when a national isolation may be called "splendid". Although the Alliance may not "assure permanent peace in the Far East", it must go a long way in that direction. That wars are nowadays less lightly entered upon is to be attributed, not to a universal conversion to the anti-war ideal, but to the existence of these national combinations, in which one party, less excited by the pinpricks of the moment, may be assumed to act as a brake upon the bellicosity of the other.

The report has nothing particularly new to say of the political situation in China, regarding as uncertain the direction which the latent forces—perhaps "seething forces"—were more apt—will take. We agree that the spirit throughout the Empire appears to be Chauvinistic; but without any desire to generalise or make too sweeping assertions, we should have thought the grounds for believing in "the increasing intelligence of the native press" were scarcely adequate.

It would have been interesting if the reference to Chinese currency could have been written with a knowledge of the observations by Mr. H. B. MORSE, referred to in our last. The report refers to the alleged excessive coinage of copper, and its alleged debasement, two points which Mr. MORSE considered to have been exaggerated. There is, of course, no disagreement whatever as to the mischief caused by the coins not being truly imperial; but it is not too much to expect that before the next annual report has to be issued the Chinese Government will have remedied this. With a really imperial currency, accepted in all parts of the Empire, the way would be more open for final reforms. The China Association's advocacy of an imperial silver coinage would not be long, we fancy, in being replaced by a request for the gold basis that was "deemed to be impracticable in China". It is not to be understood that it was the Association as a body which deemed it impracticable, although they may have decided that half a loaf is better than no bread.

The subject of railways evokes nothing very new, either; the present position of the railway movement generally is not quite so clear as might be thought; the influence of the Chauvinistic spirit previously mentioned cannot be accurately weighed. The remark in the report, that "it is doubted whether the capital will be forthcoming from native sources", is one that must be considered in the light of that factor. The intensity of the Chauvinistic feeling may perhaps be gauged by the popularity of these railway investments, which again (as we have just seen in Kwangtung) depends largely on the extent to which official interference is restricted. We certainly have doubts about the speedy and adequate development of a railway system by Chinese alone; but time will show. The suggestion from Hongkong, to import something of the new Alliance into this matter, viz., Japanese engineers and British capital, is described as "hardly feasible", with which we need not quarrel, although the reason given is insufficient. No account is taken of the third party to the transaction; that the Chinese may be unsympathetic toward both.

The observations on Trade Marks Regulations, Mining Regulations ("no progress made") and River Conservancy are well in line with public opinion on the spot, and need not be quoted. The Shanghai Mixed Court affair occupies the most space, and while the spirit of the comments to condemn the flagrant diplomatic attachment to "Red Tape", the terminology is diplomatically milder. The situation generally at the Northern Port is so anomalous that if we are to stick always to the letter of the law, ignoring its spirit, there is bound to be more trouble. Palmerstonian methods are the only ones to do any real good there now. For diplomats to say at one time it is not a foreign concession, and at others to intervene and arbitrarily upset the actions of the municipal government, is too confusing and helps the native obstructionists to "undermine an edifice which was raised and upheld by strenuous effort and constant watchfulness in the past".

The most interesting correspondence between the Association and its Hongkong branch is that in which the story of American enterprise at Whampoa is unfolded. Whatever was in it, it was a most useful spur to apply to those who could expedite the Kowloon-Canton railway business. That the Americans ever seriously hoped for a deep water port in the Canton river, one that could compete with Hongkong, is unlikely; but the argument (reprinted in another column) shows that there was a movement too potentially important to be ignored. The British portion of the line is expected to be completed in four years, by which time the negotiations should be on a footing to permit of the easier section being hastened. In any case, the fact of a determined start being made should cause less to be heard of this other terminus.

MANCHURIA.

(Daily Press, 8th May.)

Newchwang, being the most northerly port open to foreign trade, and a sort of main gate to Manchuria, upon the commercial possibilities of which the world's attention is focussed, the annual report of Mr. C. C. CLARKE, Commissioner of Customs, claims special interest. Dated on February 3rd of this year, it appears as the leading contribution to the first volume of the I.M.C. trade returns for 1905, dealing with the northern ports only, Newchwang to Kiaochow. Incidentally it may be noticed that these yellow books are henceforth to number five, including the one just received; the others deal with the Yangtze ports (Chungking to Chinkiang), the Central ports (Shanghai to Wenchow), the South Coast ports (Santiao to Pakhoi) and the Frontier ports (Lungchow to Yatung). This is a more convenient arrangement; and renders unnecessary the fascicles hitherto devoted to each port. Mr. CLARKE's report gives a vivid idea of the way in which war overran Manchuria, and affected its trade. The ground was thrice in the one year covered by an army, the Russians in advance and retreat, and the Japanese pursuing. Two-thirds of the damage done might fairly be credited to the Russians, but probably there was very little left to damage by the time the Japanese arrived. The extent, it appears, cannot be measured; but there was "much loss of life [noncombatant life, be it understood], disease, destruction of houses and crops, loss of cattle, and loss of the means of living". Granted that both sides were as careful and considerate as has been claimed for them, "misery and ruin came to thousands in no way concerned in the war", and the COMMISSIONER accepts this as inevitable. It could not be helped. Twenty thousand deaths and seventy million taels worth of damage had been mentioned as an estimate, which, however inaccurate, indicates that the disturbance of normal conditions must have been on a big scale. It was the poorer people who suffered most—those who "having lost their little, lost their all". The idea that the population benefited a great deal by the presence of troops paying for what they wanted, supplies, labour, transport, &c., has to be modified. Such payments could not be sufficient in any case to compensate for all damage, and as a matter of fact, the payments were made in paper not readily redeemable. "So far", we are told, "there have never been proper facilities for the redemption in silver of the rouble and war notes at places reasonably convenient to the holders for presentation. Even at Newchwang they have been constantly at a discount, and large amounts of those issued in the interior have been

bought up at a still greater discount." This, it will be noted, does not confirm the report that the authorities responsible for the issue of this paper currency have been imposing a discount. The war was at an end in time to allow the usual spring sowing, and good harvests were reaped, but the transport facilities being still in military hands, Newchwang saw little of this produce. Imports were accumulating also, against the expected arrival of produce, and then an unfortunate thing happened which may (though the COMMISSIONER does not suggest this) to some extent account for the report that our Japanese allies have been interfering with the "open door". Just as means were becoming available for the carriage of trade, September-October, some cases of plague occurred at Newchwang; and the Japanese Military Administration, afraid of infection reaching the troops, "prohibited boats and carts from going inland, and the up-country boats loaded with beans, &c., would not come down at the risk of being unable to leave Newchwang in time to get back while the river was still open". There was no epidemic, and the prohibition was removed in November, but it was then too late. Ice had already appeared. This accounted for the crowded godowns at Newchwang, which in turn probably accounted for the mistrust that found expression in Parliament. Taking into account all these drawbacks, and the greater number and boldness of robbers, the trade of Manchuria was such as to afford "ample justification for the belief that in time of peace Manchurian trade will flourish".

"It is customary to take the year 1899, the last year when trade was wholly free to follow its normal course, as the standard with which to compare other years. In 1899 the value of Foreign Imports, excluding Opium, was Hk.Tls. 21,000,000; in 1905, Hk.Tls. 31,000,000. The value of Native Imports in 1899 was Hk.Tls. 6,000,000; in 1905, Hk.Tls. 18,700,000. The value of Exports in 1899 was Hk.Tls. 20,600,000; in 1905, Hk.Tls. 12,000,000. Allowing somewhat for over-importation in 1905, these figures warrant the expectations which have been formed of the future. If so much may be done in a year of disturbance, what may not be done in years of peace?"

The question is answered by subsequent speculations, touching the resources of the province, the reforms that must come, and the people who will influence them. Japan has every chance of taking the lead, but the Chinese themselves must not be ignored. The Japanese may lack capital; the Chinese will supply it; but not before they are convinced that Japanese management is honest as well as efficient. Just now this efficiency elicits native admiration, but the intentions of Japan are as much under suspicion as are any other foreigners. It is for them by careful use of their exceptional opportunities to remove that characteristic mistrust.

AN INTERESTING DISCOVERY.

(Daily Press, 9th May.)

Huxley's comparison of the anatomy and cerebral convolutions of man and ape satisfied most people as to their alleged consanguinity; but striking confirmation has been discovered by the German savant, PAUL UHLENHUTH. As so often happens in scientific research, he was looking for something else when he discovered the new proof of what he so happily calls the "blood-relationship" of men and apes. He was searching for an infallible test by which to distinguish human blood from all others, in cases where through lapse of time the ordinary corpuscular test is impossible. It was to the albuminous substances that he directed his

attention; and he now claims to have found a method by which these albuminous materials are differentiated in various sorts of blood, even after the blood to be examined has been long dried up. Dr. UHLENHUTH ascertained, after many experiments, that serum obtained from rabbits produced sediment in an albuminous solution from hen's eggs, but not in other albumen solutions. The first discovery was that he could distinguish with certainty the albuminous substances of different birds' eggs, except where the birds were closely allied in species. This cannot be done by ordinary chemical analysis. We cannot here enter into detailed explanations of these preliminary investigations; those interested may follow Dr. UHLENHUTH step by step in his own contribution to the *Monthly Review*. Suffice it to say that, having satisfied himself of "the specificness and the extraordinary fineness of this biological reaction", he went on and discovered that it also established certain differences of the albuminous substances in hen's blood and hen's eggs. Various other bloods were tried, but in them the rabbit serum produced nothing. A rabbit treated with a particular blood yielded a serum which produced precipitation only in that blood. In criminal cases, therefore, however old a bloodstain may be, it can be identified with certainty. That was the immediate, practical result, and the object with which the experiments were begun. But in practice it is found that while each blood has its own albuminous character, there are groups the members of which show slighter differences to each other than they do to the bloods of other groups. Evidently here was a valuable contribution to the study of congenital relations among animals. Dr. UHLENHUTH followed it up, and demonstrated in the re-agent glass the blood-relationship of horse and ass, dog and fox, sheep and goat, and so on. "The reaction produced was almost quantitatively proportionate to the degree of blood-relationship." Special investigations into the albuminous characteristics of men and apes were then undertaken, by himself and "the Englishman NUTTALL", whom we take to be Professor NUTTALL, of Cambridge. The apes of the old world, especially the anthropoids, produced results practically equal to those obtained from human blood; the reaction in the case of the apes of the new world was considerably weaker; while in the case of the lemur, which is a sort of missing link between quadruped and quadrumanus, Professor NUTTALL discovered no reaction, but Dr. UHLENHUTH says he found a very slight trace. The point is that it is now an established fact that the serum of a rabbit treated with human blood produces a sediment in human and in ape's blood, but in no other kind of blood whatever. This proves that man, the gorilla, and the chimpanzee are cousins, and not many times removed, either.

Obviously, it will be urged at this stage that a murderer in Hongkong has only to declare that the bloodstains in his case are from a monkey to baffle the criminological biologist. But that ignores Dr. UHLENHUTH's further discovery, made apparently since Professor NUTTALL published his treatise two years ago. This is to treat an animal with its relative, as an ape with human blood. The resulting serum reacts in human albumen, but not in the ape's, so fine and certain is the process. Dr. UHLENHUTH tells us that he is now engaged on a hunt for the fine distinctions between race and race, and man and man. Anthropologists will await the result with keen interest.

CHINA'S CORRUPT ADMINISTRATION.

(Daily Press, 10th May.)

Within the last ten years nothing was more common in obituaries of distinguished Naval Officers than to find a notice something like the following:—"Distinguished himself in an attack on a fleet of pirate junks in Blue Moon Bay off the coast of Fukien, in reward for which service he was promoted to the command of H.M.S. *Periwinkle*." Although in the interests of our own commerce when the trade along the China coast was mostly carried on in sailing schooners with small crews, and the pirates who swarmed along the shores and about the numerous inlets were never loth to capture a foreign vessel when they could take her at a disadvantage, much of the early work of the British fleet in China waters was concerned with the policing of the coast; with the general advent of steamers, it was found possible to throw on the Chinese Government this duty. The duty was accepted, though never with a good grace, and although the coast pirate is now seldom a menace to foreign trade, in many of his old haunts he still flourishes and under conditions too which point to more or less connivance on the part of the local officials. Such, of course, has been the rule in China ever since the days of the exemplary, if somewhat hazy, "Yao and Shun", and such doubtless will be the case till the advent of the Chinese representative of the supposititious St. Tibb, whoever he may be. The old proverb in the West states that a kingdom divided against itself cannot stand, and here, as in everything else, Chinese practice has from the very beginnings of history mocked the feeble lore of Europe. In fact for twenty centuries at least China has discovered a way of uniting under the ægis of imperial government the opposite principles of order and disorder; and by a process of mechanical welding, the secret of which has become hereditary in the official hierarchy, the state still survives. It is true that the life is not a very vigorous one, and only gives evidence of its existence at the extremities of the branches, but to the passer-by who does not care to dismount and view the hollowness of the trunk, the tree looks fairly vigorous; and unless attacked by some unexpected danger from without, and with the assistance of a new prop from time to time charitably fixed under the more dangerous branches, may continue to outwardly exhibit a presentable greenness.

We spoke lately of the manner in which the Kiangsu administration, or certain of its officers, contrived to reconcile in the administration of the Salt Gabelle the seemingly incompatible demands of virtuous disinterestedness and personal profit; and how Peking, in its virtuous indignation at being choused of the direct proceeds of the same Salt Gabelle, contrived still adhering to the dictates of the ancient sages, to draw its own share of the proceeds. But ancient and profitable for those immediately concerned as may be this principle of sponge and squeeze, for the empire at large it is the acme of extravagance. Doubtless the Court at Peking has not to go to the expense of a Chancellor of the Exchequer, nor has it to keep up an Auditor General with a score of assistants; nor have the provincials interested to give account of the income and expenditure of their districts. In lieu of keeping a staff of regularly appointed and paid subordinates they have, however, to employ an irregular staff of secretaries, writers, thief catchers, jailers, and all the numerous army of hangers-on

who fester about every yamen in the Empire, and for the payment of whom there is made no provision, but who are none the less expected to live on their post. Notoriously the Empire rings with the corruption of these hangers-on, who, deprived of any title of office, yet possess the avenues to every yamen. It needs little experience of human nature to forecast the result. Now it is from these pariahs of Chinese society that the ranks of the pirates and salt smugglers are recruited, and the methods of the yamens are closely followed in their organisations. They, too, have their gradations of ranks, their chiefs and their secretaries; their subordinate officials, their police and their guards. They also have an admirably organised detective body whose especial business it is to intermingle with the more quietly disposed in the tea-shops. They have their regular meeting places in the shops and gambling dens, and the unfortunate who has once incurred their enmity is sure sooner or later to be enticed into one these, where he will find himself drawn into some quarrel, which on the face of it looks simple enough and affords little or no cue as to its reason, but the end is nearly always the same; and if the victim escape with his life it is at the expense of leading afterwards a life of terror. For the same reason no one who has ever become compromised can ever again return to honest ways, but finds himself at every turn beset by these instigators of new crime. These things are all perfectly well known to the officials, as are also the leaders personally, but such is the amount of terror inspired that they are permitted to move about openly, no official being bold enough to prefer a charge; and in case of his being arrested on any other charge, a way of escape is always found: either he is actually acquitted of the crime, however heinous, or he finds means through the connivance of his associates, always to be found amongst the underlings of the courts, to effect his escape. To such an extent has this organisation been carried, that even in the outlying portions of the Foreign Settlements at Shanghai, not regularly patrolled by large armed bodies of foreign police, the roads have become practically impassable at night; and those lately who have inadvertently essayed to pass have found the ways guarded by armed men, who have not hesitated to stop them till they have produced sufficient proof that they were not connected with any preventive service. Mysterious shots, too, are not unfrequently heard by residents, who, however, such is the general state of terrorism, think it wiser not to excite danger by enquiring too curiously into the circumstances. Recently cases of mysterious murders, generally of natives, though now and then of a belated foreigner, are reported to the police; but the result is ever the same, and except in the most exceptional case no clue as to the victim or his assailants is ever discoverable. In the case of a native the Chihien, as in duty bound by the rules of his office, appears the next day to hold an inquest, but some reason for discontinuing the enquiry is nearly always found. Now these facts are notorious, though for many reasons we hear comparatively little of them. The Customs River Police, whose more especial duty it is to prevent smuggling on the Hwangpu, are utterly helpless. By a rare chance they may succeed in capturing a boat with the forbidden article, in which case the loss is made good by native insurance offices, who make no secret of their business; in nearly every case the crews, warned beforehand by their regular spies,

succeed in escaping scatheless, while the police by distinct orders from the Chinese official in head control of the Customs at the port are strictly forbidden to use firearms. Now, although it is only right to state that smuggling has in all ages, owing partly to the want of any efficient protective organisation, been rampant in China, it is also the case that within the last year, and markedly since the present officials have been appointed, that it has so far enlarged its operations as to have become an actual danger. The remarkable thing about it all is that while these things are not denied by the Chinese authorities themselves, it is to the very men under whose jurisdiction this very dangerous condition of affairs has grown up that we owe most of the recent complaints against the introduction of foreign capital, and the hardships to which China has to submit in not being permitted to exercise her own methods of jurisdiction over foreign residents.

CHINA, TIBET, AND GREAT BRITAIN.

(Daily Press, 11th May.)

Peking just now is evidently in no amiable mood, and because it is so, it seems to have made up its mind to vent its spleen on its best friends. If there was one thing more than another with respect to which Peking should naturally have the least occasion for dissatisfaction, it was the convention with Tibet, wherein, without any pressure from China, Britain reserved all rights which at any time she might have had, or even conceived she might have had. In fact except to ensure for the future a decent amount of ordinary civility, and prevent outside busybodies from meddling in what did not in the least concern them, Britain was all along, and still is, perfectly content to let Tibet just go along as she likes; and be subject or independent of China just as the two can arrange. From the time of the Mongol Empire China has always made a pretence of suzerainty over Tibet. In 1720 KANGHI sent an armed force to Lhasa to restore order there, owing to its being in a state of civil war, and ever since until recently China has exercised a commanding influence in the councils of the State. Some ten or twelve years ago Tibet finding that the other so-called tributary states were shaking off their dependence, thought she would like to follow the fashion; but not being skilled in the diplomacy of the world contrived to get into hot water with both China and Britain. This might have passed, but that Tibet then tried her 'prentice hand at modern intrigue, and made up to Russia, who, equally inept, listened to her; and hence much grief and many internal wailings. That was finished by a British army going to Lhasa, and (as Britain did not really want to hurt Tibet) returning again without having sacked a single temple, or killed anyone except in the field. She inflicted a nominal fine, and afterwards reduced this so much that even Tibet, poor as she is, could not find in her heart to say it was too much; and after all this England went back, and did not even stipulate for a resident minister, but told China that she would look on with complacency if she (China) were to re-establish her suzerainty as of old. It required, in fact, all the wrong-headed ingenuity of Young China to discover any ground for quarrelling over a convention scrupulously worded in order not to afford a single point of offence. It was, of course, convenient for China to forget that in the very first instance, when complaint of Tibet's unfriendliness came to be made, it was to China that

the first approaches were made; and it is also convenient for her to forget that instead of raising any objection she was only too pleased to be consulted about her dependent, as she alleged Tibet was at the time, and entered into a convention to "open" the country. The manner in which she discharged this obligation has become a matter of history. So far from exhibiting any desire to have the country opened, her ambans were instructed to bring all the influence which they possessed to bear on the Lhasa government to prevent any access of British trade. China looked on with indifference, if not with silent approval, while Tibet entered into negotiations with China's worst enemy, Russia, to exchange Chinese for Russian suzerainty, content that by so doing she could administer an affront to the one power to whose unvarying support, it may be almost said, China owes the fact that she is still permitted to pose as an independent power. It was the direct result of these facts that when the British Government at last made its convention within the precincts of Lhasa, Article IX. expressly stipulated:—"Without the consent of Great Britain no Tibetan territory shall be sold, leased, or mortgaged to any foreign power whatsoever; no foreign power whatsoever shall be permitted to concern itself with the administration of Tibet; or any other affairs therewith connected; no foreign power shall be permitted to send either official or non-official persons to Tibet, no matter in what pursuit they may be engaged, to assist in the conduct of Tibetan affairs, &c." It had been intended that the Chinese representative should have been a party to this convention; but as we know otherwise, on being applied to he declined, not because he had any objections to make, but because he had not received from Peking full powers to sign. This, it was announced at the time, and has since been persistently acknowledged, was the sole reason why China's name did not appear at length in the instrument. At the same time it was publicly explained that the stipulation so far from being aimed at China's claims to suzerainty, which were equally publicly acknowledged, were intended to strengthen her against all outside claims to interference between her and Tibet.

When we come to look at the convention, at last after a year's delay entered into between Great Britain and China, we find that it simply confirms the previous Lhasa convention, placing China in the position she was always intended to hold as suzerain, Gyantse and Gartok are to be made places of trade, the former as leading directly from India, and the latter as already a place of some importance in the intercourse of Kashmir and Tibet, a trade of many centuries' existence, though only now made the subject of special official acknowledgment. In the other stipulations where Great Britain alone was mentioned in the Lhasa convention China and Great Britain now appear. This, of course, was in conformity with the original declaration, and in no measure represents any departure or any yielding beyond the original intention. One point, however, demands consideration, because neither Lord FITZMAURICE in the House of Lords nor the version given officially from Peking bring the matter out clearly. The Article, as well as being more or less a concession to China's ultra-sensitiveness, may be likewise read as a warning; the Chinese version gives it thus:—"So long as China does not permit others to interfere in Tibetan affairs Great Britain also shall not interfere." Without the full text before us it is impossible to arrive at the full

meaning of this intensely vague stipulation. In the first instance, of course, it is a plain acknowledgment that in the intrigue between Russia and the Dalai Lama China did practically allow that Power to interfere. Now we know a good deal, and that not much to her credit, of China's dealings with Russia. Chinese officials, from the late Viceroy of Chili downwards, are not above, for a consideration, making private terms with a Russian Minister. The case of Li HUNG-CHANG is being repeated in that of the Taotai CHAO MIK, where the present Russian Minister claims that a private agreement made under the influence of a bribe is to be accepted as the act of the Imperial Government. The weakness of the Government in both cases proceeded from the one cause; in neither case was it able to show that its own hands were clean. Russia, on the other side, has the immense advantage in all these cases that she has never pretended to clean hands. Looking at the subject from another point of view the British Government appears to have made a distinct concession in agreeing that so long as China "does not permit" other Powers to interfere it will not make any claim. Now the convention entered into at Lhasa evidently contemplated some improvement in the road to the Chumbi Valley. However little Britain may desire to interfere in Tibet, since she has stipulated for the opening of trade to Gyantse, and the right of having the necessary official supervision, it is natural that she should have some rights over the approaches. At present the only mode of approach to the Chumbi Valley is over the Jalap Pass at an altitude of some 14,000 ft. and thence is a descent of some 5,000 ft. to the valley. The river Tista, however, descends the whole way to the plain; and though in its present condition the gorge through which it flows is impassable, it is by no means incapable of amendment. Such a work would be of far greater utility to Tibet herself than to India, but the present stipulation would seem to debar any suggestion even of its feasibility. Tibet is not a land that suggests readily its feasibility for the construction of any railway line likely to be of profit either to Tibet or India, so that railways and mines may fairly await the period of natural development. The connection of telegraph lines with those of India is, of course, entirely in China's interest. Already we note that she is for her own purposes extending the Szechwan lines to Batang. That in case this line should at any time be blocked, owing to tribal difficulties or otherwise, China should have an alternative route is in her position of suzerain of enormous moment. To India the matter is merely one of convenience.

FORTHCOMING CHINESE "SURPRISE."

(Daily Press, 12th May.)

General CHANG, the Chinese Minister at Berlin, is reported by the *Berliner Tageblatt* to have given utterance to some very "frank" expressions on the subject of the future of China. Frankness is so little the ordinary characteristic of Chinamen, especially of those connected with official or diplomatic life, that we may, without being unduly suspicious, take any declaration of this kind with the proverbial grain of salt; or at least imagine it is possible that it was made with some ulterior object. The Chinese representative is stated to have said that recent political and military events had taught China that "thorough-going reform in every department was a vital question for the Chinese Empire"; adding

"It would be necessary to begin with the Army and Navy, in order to be able to withstand the pressure of too zealous friends and to order Chinese affairs in accordance with Chinese wishes and needs. Then, if Chinese integrity were at stake and it were necessary to repel unsolicited advice, the world would find as much to surprise them in China as they had found in Japan. These soldiers were excellent military material, and if equipped with modern weapons, could not possibly be conquered." He added that the Chinese were as little inclined to accept a "Japanisation" of their country as an "Anglicization" or "Russification." This of course sounds very well, but unfortunately CHANG's scheme of reform, like most things Chinese, begins at the wrong end. If China cannot see further than her old dream of somehow being able to improve her material resources so as to be capable of opposing foreign nations, after which she will be in a suitable position to commence reforms in earnest upon Chinese lines, she must have learnt very little of late years. It is quite true that if the reforms in her Army and Navy were accomplished she would be in a good position for other reforms; but the difficulty is that these very reforms in her Army and Navy cannot be attained unless preceded by other administrative reforms of a much more pressing nature. Efficient work from the Army and Navy cannot be hoped for without a definite and strong national spirit uniting the whole country, an effective administration to keep the Empire together under the strain war necessarily induces, and, before all things, such an absence of corruption in the public service as will at least secure regular and punctual payment of the troops. China, as she is at the present time, is conspicuously defective in all these requisites, and the mere possession of "foreign methods" will not be sufficient to give her success in any serious or prolonged struggle while this internal mal-administration continues. The army itself is not sufficiently centralized to make it reliable in any national crisis. But apart from this, the whole system of corruption in administration must be done away with before China can rely upon her forces, however well they may be schooled in foreign tactics or supplied with foreign arms. The policy which CHANG so boastfully advocates is, after all, only China's old one of trying to learn from foreign nations the knack (as she deems it) of doing various things, and then attempting to do them her own way, and before she has thoroughly mastered all connected with them. This China has done repeatedly, and always with the same results. She learns a certain amount from Europeans and then sets to work to apply her knowledge in what she thinks is an improved way; that is, by endeavouring to reconcile it with her old-fashioned modes of procedure, not recognising that the latter are radically wrong; so that any instruction she receives in improved methods, either as to warfare or as to civil administration, ends by being of very little practical use, and is certain to fail her in the time of need. It is characteristic of Chinese conceit to suppose that China has only to pick up a few hints from foreign nations and Japan to become more than equal to the latter. Something of this kind has always been her one idea, though it might be hoped she would be able to take a juster view of the facts at the present day. Her study of "foreign methods" will lead her but a little way, unless she realises the fact that the first thing that is necessary is a thorough reform in her internal administration. It is to be hoped for her own interests,

as well as those of foreign nations, that she may at last find out where her real difficulty lies. It is not the want of warlike knowledge or implements, but the want of national coherence which causes her weakness; and if China hopes to be able to take her place among the nations, it is in the latter direction that she must first endeavour to reform. Such reform must be a process of considerable time, and during its progress, if it is ever honestly inaugurated, many useful lessons must be learnt from simple experience, and with these lessons it may be hoped that China will awake to the fact that she has a far better chance of maintaining her integrity by friendliness with foreign nations than by endeavouring to thwart the march of progress by adopting an attitude of contemptuous defiance and threatening the outside world with the "surprise" that awaits them, should they continue to offer her unsolicited advice.

HONGKONG JOTTINGS.

May 7th.

A correspondent replies to the contribution which I inserted last week on the subject of the prohibition of sport at the Happy Valley on Sundays. He points out that the restriction only applies to the football and cricket grounds, and as most of the Valley is allocated to particular clubs, few of whom care or have opportunities to play on Sunday, no great hardship is inflicted at all. Lawn tennis and golf, with the usual children's pastimes, are in full swing every fine day, so that after all there seems little cause for complaint.

Some time ago I made a reference to the popularity of billiards in the colony. To say that this game is popular is only stating the obvious, but there are indications that its devotees are becoming more numerous. Our wealthy Chinese friends have now first class tables in their houses, and among the native population cueists can be counted in hundreds. In this connection, I am informed that a series of billiard tournaments between the Water Police and the Kowloon Cricket Club have been inaugurated, and that the first game—300 up—played on Thursday between Sergt. Earner and Mr. Beuzeville resulted in a win for the former by 90 points. The tournament, I am told, is not to be confined to billiards, but will include tennis and bowls. That reminds me that a billiard tournament has been arranged at the King Edward Hotel and a committee has been elected from those interested to conduct the competition.

The other day I rescued a very quaint document from the waste paper basket. It was a letter, written by an Indian money-lender, defending one of his compatriots against certain nasty remarks made against this "coloured Shylock." There were evidences of much care in the composition of the letter, but apparently these did not appeal to the editor, who consigned the effusion to the place where so many other crushed hopes lay. However, it was resurrected, and as I saw the quaint statements with which it abounded I thought I could not do better than reproduce one or two of the choicest. For instance he ridicules the Chinaman's defence that his wife died, but perhaps I had better give his actual words—"Also for his defence, defendant says that his wife is died already, leaving two children helpless, and for funeral expenses he spent a lot of money and now he is ruined. Therefore defendant seems very unfortunate for he lost two wives already, one on obtaining this loan and other now when demand is made for payment of his debt, and while he owes the debt as yet, but we think he has a lot of money to arrange for his marriage and to pay his solicitor but he has nothing to pay off his debt. But in reality no his wife is died and children are left helpless, this only he announces to his readers as he thinks that on hearing him in such trouble, they will unsympathy with his creditor who has demanded the payment of the money."

From what follows it is apparent that our Indian friend is a man of observation. He knows the tricks of the natives, for he adds:—

"And it is Chinese common rule to solve their trouble by saying that some of his parent is sick or died and as every European gentleman in Hongkong knows very well, that when some of his Chinese servants absents from his service and on returning to solve his trouble he may say that some of his parent was sick or died in the country. Such is defendant's case, which resulted in vain, for he was guilty according to the law."

The lawyers will appreciate the next paragraph:—

"And on receiving the writ, instead of paying off his debt, he paid a considerable sum to his solicitor all in vain, for he knew it very well, that he is guilty according to the law, and is to pay the plaintiff the money being due to him and promissory note given by him to the plaintiff. Was it not much better for him to pay off his debt respectively, instead of paying to his solicitor all in vain."

After showing that his position is "ten felds hard" than that of defendant, he waxes eloquent in his defence of moneylending as a profession. He writes:—

"And as he points out only the Indians as moneylender in Hongkong, but everyone who first steps in to the Supreme Court house, is the lender of money, goods, service, etc., and most part of the trade is carried by people by lending of money, goods, etc. Why he only paints the Indians as moneylenders, are they not resting under the flag of the Great Britain, But he himself in case of emergency is to take a passage to Canton from where he never can be seen."

The ingratitude of the Chinaman rouses his ire, and he proceeds to chastise him—with a scathing pen:—

"Defendant soon forgot the day of this loan, when to comply his need, he had begged hard for about twenty times of the watchman, and when payment is demanded now he says the Indian foolish and sharks for whom he says no sympathy should be shown, and he wishes to the bar and judges the Supreme Court of the Hongkong to do unjust for the Indians only, while they would not, for the God has gifted them so high ranks in the world, as to do just for their subject which is resting under the flag of Great Britain. Trusting that the bar and the Judges of the Supreme Court of the Hongkong, and all who may read this paper will ignorant of the cunning trick of this guilty scholar, known as " (here follows defendant's name)."

BANYAN.

UNION CHURCH, HONGKONG.

A meeting of the seatholders of Union Church took place in the Church on May 10th—the Rev. C. H. Hickling presiding. The treasurer's statement of accounts showed increases under seat-rents, weekly offerings and investments. The Organ Fund at the end of March stood at \$2,811.09, but additions and sums promised for 1906-07 bring the fund up to about \$4,500. The report referred to the fact that the Pastor had conducted a service on the first Sunday of each month in the Peak Church, while on March 31st he concluded the wedding ceremony for Mr. Haynes and Miss Connell, which appeared to have been the first Free Church wedding in the Peak Church. The Sunday schools continued to prosper, while the literary club had had a successful session. The Pastor has lately received the appointment of chaplain for Congregationalists and Baptists in both the army and navy in Hongkong.

The Peking Government has issued instructions to the Viceroy of Szechuan to send two brigades of foreign-modelled troops to garrison Lhasa and other important points in Tibet. These two brigades form a part of the new Army that was ordered to be raised in Szechuan province by the Council of Army Reorganisation, in accordance with the grand scheme of that Council in 1903 that each province should have from two to four Army Corps raised and organised after Japanese models.

SUPREME COURT.

Monday, May 7th.

IN ADMIRALTY JURISDICTION.

BEFORE THE CHIEF JUSTICE (SIR FRANCIS PIGGOTT.)

S.S. "BRAND" V. "KOTOHIRA MARU."

Formal judgment was delivered in the action in which the Court was asked to decide who was to blame for the collision between these vessels off Pedro Blanco. Mr. M. W. Slade, instructed by Mr. E. J. Grist, represented the "Brand," and Mr. E. H. Sharp, K.C., instructed by Mr. John Hastings, appeared for the "Kotohira Maru."

His Lordship said—This was a case of a collision between the Norwegian s.s. "Brand" and the Japanese s.s. "Daini Kotohira Maru" in the China Sea a little to the east of Pedro Blanco in a dense fog. The Japanese ship admitted blame, but contended that the Norwegian ship was also to blame. There was in the case one issue of fact on which the evidence on the two sides was conflicting, or at least not reconcilable. The "Kotohira Maru" was blowing her whistle apparently with regularity, but whether the "Brand" was blowing her whistle in accordance with the regulations was contested. Owing to the view which I take of the law, in which the Assessor concurs, the Court is not called upon to express an opinion on this question. I take the following facts as given by the witnesses for the "Brand." The second mate was most precise. He said he heard the whistle of another vessel which afterwards was ascertained to be the "Kotohira Maru" on the port quarter at 4 a.m.: that he heard it again about every other minute, sometimes more, sometimes less than two minutes, on the port quarter: that by 5 a.m. she was one point before the "Brand's" beam. He then heard it regularly overtaking them: about 5.10 she was three points before the beam: and the last time he heard it she was four points before the beam. This was, he said, about three or four minutes before the collision. Between 5.10 and the collision he could not remember hearing more than one whistle: a few minutes after hearing the last whistle he saw her two and a half points on the port bow. The inference which he drew from this series of whistles was that the vessel was getting further and further ahead on the port side, especially the last ten minutes: he thought that she was going safely on as there was nothing to direct attention to her. The last whistle was a bit louder: he thought he observed it because of this. The position of the vessel given by the mate up to what he calls the last whistle coincides with the master's evidence: he said that he heard a whistle after he stopped for sounding three points forward of the beam: that he then ordered the engines to go slow ahead to let the steamship get more ahead and altered his course one point to the south to clear Pedro Blanco. It seems that he had calculated the speed of the other vessel accurately at eight and a half knots: his own speed when the whistles were first heard was six knots. About three minutes before the collision he heard the whistle four points on the port bow: he heard it a little closer, a little louder: he then put the engines at half speed ahead concluding that she was going further ahead. There was a little wind from the south and he thought it was the wind which had brought the sound, that is, made it sound louder. Later on he said the last louder whistle was a little louder than the others: of the same loudness as when the vessel was passing the "Brand". In cross-examination he said that when she was coming up there was a risk of her running into the "Brand", but that the risk ended when she got past the beam: and that he thought she was going right away from him until she was right on him. There was some question as to whether the order "Half-speed ahead" was in fact obeyed. It is unnecessary in the view the Court takes of the case to consider any other fact: the "Kotohira Maru" admits that she was to blame that she violated Article 16 of the Regulations by going eight and a half knots in the fog, which was certainly not a moderate speed as required

by the article. The question for the Court was whether the "Brand" was not on the showing of her own officers also to blame. The first point to be decided is how, in the circumstances detailed, the second paragraph of Article 16 is to be applied. Putting the whistles on her quarter on one side the "Brand" heard the fog signal of a vessel forward of the beam. This was the position of all the whistles after the "Kotohira Maru" had passed her beam down to and including the last. Until the position of that vessel had been ascertained it was the duty of the "Brand" to stop her engines; and then, i.e., after stopping her engines, to "navigate with caution until danger of collision is over." Was the position of the "Kotohira Maru" ascertained? The learned counsel for the "Brand" contended that it was, because the whole series of whistles beginning with those on the port quarter showed that the "Kotohira Maru" was on a parallel course, and that as they were heard one, two, three and four points on the "Brand's" bow he had ascertained her position, which was, so the master concluded, right ahead continuing the parallel course on to Hongkong. This ignores the fact that the last was a louder whistle. I think as a matter of construction that that Article 16 requires that the position of the other vessel should be ascertained at each whistle, and though it is possible that that position may be correctly ascertained to be on a parallel course continued out of hearing by observing a series of regularly increasing and diminishing whistles, directly the sequence of sounds which would result from such a parallel course is interrupted it is the duty of the vessel hearing them to comply with the requirements of the Article again, as if the new sound were a first whistle, i.e., she must stop her engines until the position from which it comes is ascertained, and then navigate with caution until the danger of collision which had arisen is again over. From the point of view of seamanship the Assessor agrees with this interpretation of Article 16: and indeed it would lose its meaning if it were not so. I then put these questions definitely to the Assessor: (1) Was the master of the "Brand" justified in concluding that the extra loudness of the last whistle was due to the wind or from any other cause so as to justify him in not complying with the article? His answer is no. It is indeed impossible to imagine any other answer possible, for it cannot be conceived that a master of a ship should make an error of judgment in such an important matter and not take the consequence if a collision ensues, there being no train of circumstances to excuse him. The case of the "Dordonga" would not warrant such a proposition, but practically the opposite. (2) Was it the duty of the Brand on hearing this louder whistle to stop her engines? The Assessor's answer is yes. (3) Ought the master to have assumed from the fact of this louder whistle being heard that there was danger of collision? His answer is yes. (4) Was the order "Half speed ahead" consistent with cautious navigation in the circumstances? The answer is no. (5) Did the "Brand's" engines in fact go at half speed ahead, or did she continue at her speed of four knots? The evidence is not very satisfactory on this point, but the Assessor is of opinion that the speed was in fact increased, though to what extent the evidence does not enable him to say. The Assessor is of opinion further that in the circumstances the order "half speed ahead" was wrong owing to the density of the fog, irrespective of the last and louder whistle. The defence of the "Brand" is that she was an overtaken vessel: that the "Kotohira Maru" was the overtaking vessel, and that as she was passed and clear, on the master's assumption, the "Brand" was free to alter her course and speed. Assuming Articles 21 and 24 of the regulations to apply the error of judgment with regard to the last and louder whistle would of itself show that the defence was bad. But, and as to this it is hardly necessary to refer to authorities, the directions of Article 16 are to be complied with in a fog: and they cannot be read together with Articles 21 and 24, for these articles imply that the vessels are moving in their ordinary course and are in sight of one another, whereas Article 16 specifically enjoins stopping and navigating with caution. It was said that the "Kotohira Maru" was in the wrong in suddenly altering

her course to the north through an angle of 90 degrees. She was wrong as to her speed, but why was she wrong in this? The reason given by her master was sufficient: He wanted to anchor in Hong Hai Bay during the dense fog. The navigation of the sea is free; there is nothing to prevent a ship taking this course if she so desires, even though she crosses a regular track of steamers, so long as she complies with the regulations. In ordinary weather day or night she must obey the rule of the road. In a fog she must comply with the fog rules. There are no other precautions imposed save good seamanship. Putting all questions on one side as to whether the "Brand" was whistling, the "Kotohira Maru" did whistle and the attraction in the sound of her whistle should have been sufficient warning to any ship coming down the regular track. Alter the circumstances very slightly and this becomes quite clear. Supposing the "Kotohira Maru" had suddenly discovered Pedro Blanco ahead of her she might have altered her course, as she in fact did, and what other signal could she have given than that of whistling, as she in fact did? The "Kotohira Maru" has admitted herself to blame on account of her excessive speed. The Court, for the reasons above given, is of opinion that the "Brand" is also to blame. Judgment will therefore be entered in the terms of the "Kotohira Maru's" counter claim. The Assessor desires me to add on his behalf than the engineer of the "Brand" was greatly in fault for not reporting to the bridge his inability to carry out the order "half speed ahead" as soon after he received it as possible. He also wishes to point out the immense importance of all ships being supplied with speed tables corresponding to revolutions. In these remarks I concur.

His Lordship—I think judgment in terms of the counter claim express the result of the judgment, the damages to be assessed by the Registrar. I don't think any special order is made.

Mr. Sharp—I think so. I think we are entitled to the judgment which your Lordship has given now. We admitted that the "Kotohira Maru" was partly to blame, and the plaintiff has continued the action for trial for the purpose of proving that the "Kotohira Maru" was solely to blame. The plaintiff is now liable for costs from the time of the date of our admission which is contained in our first pleadings in answer.

The point having been argued by counsel,

His Lordship entered that each party were to bear their own costs up to the date of the admission, after that the costs to be "Kotohira Maru's."

Mr. Slade then applied for a stay of execution.

His Lordship gave liberty to apply in chambers.

Tuesday, May 8th.

IN APPELLATE JURISDICTION

BEFORE THE FULL COURT.

THE ALLEGED CONSPIRACY CASE.

An appeal from the decision of the Chief Justice (Sir Francis Piggott) in the case of the seven witnesses who were sentenced to three months' imprisonment by his Lordship for perjury in the hearing of the trial of an issue to determine whether Wong Ka-cheung was a partner of the Lai Hing Bank at the time of its bankruptcy was commenced. It will be remembered that an appeal against the decision and an application for the release of the witnesses were made before the Chief Justice a few weeks ago, but his Lordship dismissed the appeal. The present action was an appeal to the Full Court against that judgment. Mr. E. H. Sharp, K.C., and Mr. H. E. Pollock, K.C., instructed by Mr. Brutton (of Messrs. Brutton and Hett), appeared for the appellants. Mr. Sharp—This is an appeal from the judgment of his Lordship the Chief Justice delivered on 24th April last.

The Chief Justice—I see the seven men are present.

Mr. Sharp—Yes.

The Chief Justice—I must ask formally so that it will appear on the record. Have you, Mr. Bailiff, any news of Wong Tee?

Mr. Howell—He is not in the Colony, my Lord.

Mr. Sharp—I think it is unnecessary to read the whole notice of appeal setting out the effect of that decision. We asked that that decision be rescinded, and we ask that the original order dated 10th April committing these men to prison be annulled and that the committal itself be discharged and that the appellants be released.

The Puisne Judge—This is simply an appeal against the commitment of these men?

Mr. Sharp—Yes. Continuing, he said that the motion was in exactly the same terms as the previous motion. It was important to consider the jurisdiction under which those men were committed. That jurisdiction was contained in section 31 of the Supreme Court Ordinance 1873, which stated that "it might be lawful for the Court to direct a prosecution" against a person committing perjury or that the Court might commit such witness as for contempt of Court or fine him. They submitted, with regard to that section, that the phrase "it appears to the Court" must be taken to be the equivalent of "it judicially appears to the Court"; that is to say, it appears to the Court after the observance of the essential principles on which judicial enquiries are conducted. There was one other phrase on which he thought it necessary to comment—"as for contempt of court". That, they submitted, meant that the jurisdiction contemplated was the same as jurisdiction for contempt. He thought he was right in saying that such a jurisdiction there contemplated could be exercised in the event of contempt.

The Chief Justice—I thought you were disposed to say before that the words were almost superfluous.

Mr. Sharp—Oh, no. That is why we gave your Lordship authorities under contempt. We have to rely, so far as cases go, on contempt, because for the very excellent reason that there is no jurisdiction as this in England as applied to perjury. We thought there might be such a jurisdiction in India, but on looking we find that there is not—at least we cannot find it.

The Chief Justice—There was a jurisdiction in England once upon a time.

Mr. Sharp—We relied upon contempt cases because we considered the jurisdiction given was that jurisdiction. I think we said to your Lordship it was not contempt. Proceeding, he submitted that the commitment was bad upon the grounds stated in the motion. The first ground was that the prisoners were not told by his Lordship, the Chief Justice, what statements made by them respectively constituted the alleged perjury. The second ground was that an opportunity was not given to the prisoners of being heard in their own defence. After referring to statements in his Lordship's judgment, Counsel submitted that it was a fundamental and invariable principle of English law that no person could be punished until he had been given an opportunity of being heard on his own behalf. And this principle was not confined to criminal matters. The law would not permit any person to be injured by any judicial or quasi-judicial proceeding on his person or his property without being heard. Especially should that principle be observed in such a case as the present, in the case of witnesses charged with committing perjury in their evidence. Such a case was for obvious reasons stronger than a case of contempt committed in open Court. A witness was not a party to the case: he was probably absent when the evidence was given contrary to the evidence in which he is alleged to have committed perjury. Therefore he did not know on what evidence he was committed. It was not necessary to say what defence those men would have presented, but he submitted they had a clear right to be heard. He would now ask their Lordships' attention to a few authorities, in support of the propositions which he submitted.

The Chief Justice—The question which puzzles me is as to how it is to be carried out.

Mr. Sharp—I don't say how it is to be done. They must have the opportunity of being heard.

The Chief Justice—What is the procedure to be followed?

Mr. Sharp said he was not prepared to indicate the procedure, and explained that it was their intention to carry the appeal to the Privy Council.

The Chief Justice—We know you are thinking of it.

Mr. Sharp—We are doubtful whether it would be prudent to adopt the course of taking the appeal straight to the Privy Council. As you know, objection might be taken by the Privy Council that we had not exhausted our local remedies. It is not clear where the Privy Council is disposed to consider that essential and where it is not. Continuing his argument with regard to the absent witness, he contended that his case was practically the same as the others, because it was necessary that he should be present in order to say what he had to say in his own defence.

The Chief Justice—But if he goes to Canton?

Mr. Sharp—Then your Lordship cannot exercise that judgment.

The Chief Justice—Then what is a judge to do?

Mr. Sharp—Your Lordship has not got summary jurisdiction.

The Chief Justice—Is it destroyed?

Mr. Sharp—You cannot exercise it. In that particular case it would be destroyed. Your Lordship has the right to send for him and give him an opportunity of answering the charge.

The Chief Justice—I thought you said I had no power to bring him here.

Mr. Sharp—Oh yes, you have power to bring him here.

The Chief Justice—Supposing I could not bring him here for three months?

Mr. Sharp—I think we are agreed on that point—that your Lordship has power to send for him. Your Lordship takes the initial steps of expressing yourself on the subject of the perjury. One man is absent, and you send for him. I certainly think that the proceedings would continue.

The Chief Justice—I consider that unless the absence of the witness is satisfactorily explained this case breaks down completely.

Mr. Sharp—This is only a formal appeal.

The Chief Justice—Yes.

Mr. Sharp resumed his argument and indicated that the appeal was not on the merits but on the ground of the irregularity of the procedure.

The Chief Justice then referred to a case decided in 1831, when Lord Brougham dealt with a case of what was called prevarication on the part of witnesses.

Mr. Sharp held that that decision had been over-ruled by later judgments. He proceeded to argue that the writ of *habeas corpus* was applicable to the present cases. The writ was the proper and the readiest, probably the best, manner of raising the question whether the decision was made in a legal, regular, and judicial manner. After applying himself to points in his Lordship's judgment, and contending that the men should have had an opportunity of answering the charge—

The Chief Justice asked how this was to be carried out. Mr. Sharp could not put forward an argument like that without considering its practical result. If these men went into the box, who was to call witnesses for the other side? How could the Court try the case?

Mr. Sharp said it might lead to a contrary decision, but if it was just, why shouldn't it?

The Chief Justice asked how were the statements to be tested? Was the Court to do it?

Mr. Sharp replied that if a man wanted to call, say, John Smith in his defence, John Smith must be called.

The Chief Justice said Mr. Sharp's argument amounted to hearing one side only.

Mr. Sharp concluded his argument by asking their Lordships to rescind the judgment under appeal and to make the order for which they asked in two motions.

Mr. Pollock also addressed the Court. He said it was important to bear in mind that the alternative power conferred by the section, the power to commit witnesses to prison, was an alternative to the power of ordering a prosecution to be instituted for perjury, because it was fair to infer that the alternative in ordinary principles would be applicable to the trial for perjury. He argued that they should have been prosecuted for perjury and thus given an opportunity to make a defence. But as a matter of fact from witnesses they were converted into convicted persons, without knowing the specific facts with which they were accused. For all they knew when called upon they might

have been called up for the purpose of being commended for the straightforward manner in which they gave their evidence.

The Chief Justice intimated that he agreed with Mr. Pollock in so far as there was no half-way house between the procedure adopted by the Court in the present instance and a re-trial of the whole case.

Mr. Pollock—Not a new trial. I think it extremely doubtful whether the appellants could (as convicted perjurers) repeat their evidence. They could get others to support their former evidence.

Mr. Pollock quoted authority to show the construction to be placed on the words "if it appears to the Court" in Ordinance 3 of 1873, section 31. In *Bonaker v. Evans* the judgment said "No proposition can be more clearly established than that a man cannot incur loss of liberty or property until he had had a fair opportunity of answering the charges against him, unless the Legislature has expressly or impliedly given the authority to act without that very necessary preliminary." The section of the Supreme Court Ordinance so far from implying that the right was to be withheld showed that it was to be respected. After further argument Mr. Pollock submitted that the Chief Justice had acted without jurisdiction in sentencing the witnesses to imprisonment without the preliminary steps being complied with.

The Chief Justice thought otherwise and pointed out that there was nothing in the statute which said so; Mr. Pollock inferred it.

Mr. Pollock said there was another point to which he would refer and that was the question of signature. He understood the signature was "by order of the Court. A. Seth, registrar."

The Chief Justice—It is not a signature: it is a certificate by the Registrar that an order has been issued by the Court.

Mr. Pollock—My point is that there is no signature by the committing authority. We submit that such a signature is required. Nobody can be legally detained under a warrant unless that warrant is signed by the committing authority.

Their Lordships reserved their decision.

Thursday, May 10th.

IN BANKRUPTCY JURISDICTION.

BEFORE THE CHIEF JUSTICE (SIR FRANCIS PIGNOTT).

EX-COMPRADORE'S FAILURE.

The public examination of Lau Wai-chun, formerly compradore in the Hongkong and Shanghai Bank, was resumed. Mr. Master (from the office of Messrs. Johnston, Stokes and Master) appeared for the petitioning creditor, and Mr. Dixon (from the office of Mr. John Hastings) appeared for another creditor.

Mr. Dixon said the hearing had been adjourned for him to prove his claim. He now produced his title and proceeded to examine debtor.

Lau Wai-chun said he discovered he could not pay his debts in the earlier months of this year. He was in difficulties last August, but not in serious difficulties, as his creditors did not press him. He knew he was insolvent but continued in the bank. Fifty thousand dollars was due him by the Wong Fung Bank on a promissory note, but no interest had been paid on it. He was the owner of property in Lyndhurst Terrace along with Ma Fa Ting, his share being worth \$15,000. Property had decreased in value and it might not realise that amount. He collected the rents, and was aware that the rents were not sufficient to pay the interest on the mortgage.

The examination was closed, after which—

Mr. Master applied on behalf of the Official Receiver for an order of adjudication.

Mr. Dixon asked for a rescission of the receiving order on the ground that the statement of affairs showed no substantial assets for division among the creditors. He asked that the order be rescinded before the adjudication was granted. The liabilities were given at \$2,160,725.

His Lordship—I have it \$2,180,000.

Mr. Dixon—I have no doubt your Lordship is right. At any rate, it is over \$2,000,000, and

his assets only consist of \$68,554. Of that there are \$55,554 book debts. There is a debt of \$50,000 due from the Wong Fung Bank. We have heard that although that debt was incurred in 1898, no interest has been paid on it. The person is out of the jurisdiction of the Court and I submit if it had been possible he would have recovered it. He ought to have put it in the list of bad debts instead of the doubtful.

His Lordship having disputed the figures quoted—

Mr. Dixon asserted that there would be practically nothing for division among the creditors, and he argued that debtor was not entitled to the protection of the Court, such as was afforded an honest bankrupt. Those proceedings had been taken to enable him to stay in the Colony and prevented him from being proceeded against by his creditors. He asked his Lordship to leave him to the mercy of his creditors. They believed he had a considerable amount of property in Canton which he was concealing, and if his Lordship refused him the protection afforded by the Ordinance it was possible they would have an offer of a composition from the bankrupt.

His Lordship—I can't very well take notice of that.

Mr. Dixon—You will see, my Lord, how difficult it is to get anything out of him.

Mr. Master—I submit that the proper time for my friend's application was when the petition was presented. It is expressly laid down, and insufficient assets is one of the grounds for the dismissal of a petition. My friend's position is that he has commenced an action against the debtor which was set down for trial but is now stayed. Supposing the receiving order is rescinded my friend steps in, obtains judgment, and gets the assets for his own client, which is wholly opposed to the bankruptcy laws, which are for the protection of the creditors.

The Chief Justice—How would it affect the secured creditors?

Mr. Wakeman—It does not affect them at all.

The Chief Justice—The bankruptcy proceedings do not help them in any way?

Mr. Wakeman—No.

Mr. Master—The securities held by the secured creditors are estimated to provide a surplus to divide between the unsecured creditors.

The Chief Justice—Will the Hongkong and Shanghai Bank recover more than their claim?

Mr. Master—It is quite possible, my Lord.

The Chief Justice—It is rather difficult for me to deal with.

Mr. Master—I would point out that my friend is only acting for one creditor—\$50,000 only.

The Chief Justice—There is only one petition before the Court. Where do the other creditors appear to consent?

Mr. Master—They do not consent to the rescission.

The Chief Justice—They do not support this motion?

Mr. Master—They do not support my friend's motion. The receiving order ought not to be rescinded on the application of one creditor.

The Chief Justice—What steps do you propose to take, Mr. Wakeman?

Mr. Wakeman—I do not know; it is very difficult. The debtor in Macao is supposed to be a wealthy man; he is the proprietor of the monopoly of the fan-tan shops.

The Chief Justice—I suppose steps will be taken?

Mr. Wakeman—Yes, as soon as the adjudication order is made.

The Chief Justice—There will not be the same difficulty in Macao as there would be in Canton. The Portuguese law will recognise our bankruptcy laws and will assist, I suppose. I think considering the state of affairs with regard to Macao that it is possible the \$50,000 may be recovered, therefore I refuse the motion. I think, however, the Court has inherent power to act, but I will not decide that point now.

Mr. Dixon—Will your Lordship postpone the adjudication to allow the Official Receiver to take steps towards recovering the \$50,000, for in the event of his being unsuccessful I submit I have very good grounds for continuing with my application. If your Lordship would adjourn both applications.

Both applications were adjourned.

IN SUMMARY JURISDICTION.

BEFORE MR. A. G. WISE (PUISNE JUDGE).

COMPLICATIONS.

Fazal Ahmad sued Akbar Khan for \$357.20, being money lent. Mr. Gardiner (from the office of Mr. O. D. Thomson) appeared for plaintiff, and Mr. Hett (of Messrs. Brutton and Hett) appeared for the defendant. There was a second action, in which Akbar Khan sued Mohamed Ali for \$942.84.

Mr. Gardiner said the claim was for money lent. He had no documentary proof, but he had no doubt that after hearing the evidence his Lordship would think the action was rightly brought. The money was lent in March, 1904, for the purpose of satisfying a partner in the firm of which defendant was a partner.

When the first witness was called—

Mr. Hett referred to the fact that it had been ruled by the Court that a Mahomedan could not be sworn on the Koran. That was not considered a legal declaration according to the laws of the Colony.

His Honour said that that was so. He only remembered the Koran being used once, and then it was produced by a priest. Witness must be declared in the ordinary way.

Mr. Hett further mentioned that in the second case the sworn interpreter of the Court had been subpoenaed.

His Honour remarked that it would be better to have a separate interpreter.

Mr. Hett added that it would be difficult to find another. His Lordship's clerk was a sworn interpreter.

His Honour—It is rather anomalous to have a witness who is also interpreter. Do you make any objection?

Mr. Hett returned an answer in the negative.

His Honour—My clerk will check him.

Mr. Hett then informed the Court that the interpreter was also a relative of the present plaintiff.

After further discussion, Mr. Hett said he raised no objection but in asking that the witnesses go out of Court he remarked that his witnesses in that case were his friend's in the next.

Both cases were adjourned after a lengthy hearing.

HONGKONG POLICE COURT.

Thursday May 10th.

BEFORE MR. F. A. HAZELAND (FIRST POLICE MAGISTRATE).

ALLEGED FALSE TRADE MARKS.

The case in which three shop coolies and two women, employed by the Shiu On Wing firm of flour merchants, No. 311, Des Voeux Road Central, were charged with applying false trade marks to flour on March 19th was concluded. Defendants, it is alleged, were transferring the "Red Seal" brand flour into bags bearing the "White Lily" mark.

Mr. G. E. Morrell (of Messrs. Dennys and Bowley) prosecuted; Mr. T. C. Holborow (of Messrs. Deacon, Looker and Deacon) defended; Inspector Collett watched the case on behalf of the police, and Mr. P. W. Goldring on behalf of Mr. A. B. Moulder, flour merchant.

His Worship thought there was a possibility of the third defendant's story being true, and discharged him. With regard to the other defendants, they were charged under Ordinance 4 of 1900. The story of the prosecution was that the first and second defendants were superintending a number of women who were transferring flour from "Red Seal" bags into empty "White Lily" bags. That being so, *prima facie* the flour which was in "Red Seal" bags should be regarded as "Red Seal" flour. On the evidence for the defence it was put forward that the flour which was in "Red Seal" bags was really "White Lily" flour, and through its being transferred to "White Lily" bags, no offence was committed. It was not disputed in the case set up by the defence that the onus was on the defendants to satisfy him that the flour, the subject matter of the charge, was really "White Lily" flour. In support of that contention two witnesses were called. The first was the head foki of the

defendant firm, but having regard to his demeanour in the witness box and the way in which he contradicted himself, his Worship was not satisfied with the story put forward by the defence. The flour arrived here in the s.s. *Minnesota* somewhere about the middle of December. A number of the bags it was said were discovered to be broken, so it was necessary to transfer the flour to other bags. It was put into "White Lily" bags and later transferred into "Red Seal" bags. When his Worship asked the witness to explain how it was that three months elapsed before the flour was transferred, he seemed to be driven into a corner, and gave an extraordinary sort of reason—no time. The second witness, the stvedore, gave his evidence fairly well, but it was of very little use, as it did not go beyond what happened on the ship on December 19th, and on that point did not help the story of the defence. With reference to the question of attempted fraud, his Worship read the statements made by defendants in the charge room. (Therein it was stated that the shipment contained too much "Red Seal" and too little "White Lily" flour. The master of the ship wished the "Red Seal" transferred into "White Lily" bags, because the Chinese did not like "Red Seal" flour.) On the evidence the onus was on the defendants to satisfy him on this question of fact, and his finding was therefore the prosecution. His Worship then dealt with the law on the subject, reading lengthy sections from cases relative to the one he was dealing with. He said false trade descriptions included every alteration by way of addition or otherwise, and the transferring of flour from "Red Seal" to "White Lily" bags, was applying a false description to goods. With reference to the intent to defraud, he found as a fact that there was an intent on the part of the defendant to induce people who were buying this flour to believe that it was "White Lily" flour. According to the statements of the defendants the Chinese liked "White Lily" better than "Red Seal" flour, and that was sufficient evidence of intent to defraud. Another point raised by Mr. Holborow was regarding the man's residence in the Colony. The solicitor contended that he had an address here. His Worship did not think that the point came within the section dealing with residents, which meant persons here against whom proceedings could be issued either by warrant or summons. His Worship convicted the defendants, and ordered that each be bound over in the sum of \$100, to come up for judgment when called upon.

Mr. Morrell—Will your Worship forfeit the flour under section 11 sub-section 2?

His Worship—Yes. That is, the flour which is the subject matter of this charge.

ALLEGED MURDER AT WANCHAI.

What the police believe to have been a case of murder was reported to Inspector Gourlay at No. 2 Police Station, East Point, on the 5th May. Inspector Fincher, of the Sanitary Department, was called at No. 90, Nullah Lane to remove what was supposed to be a plague body. The Inspector, seeing blood on the man's face, and on the floor, reported the matter to No. 2 Police Station. Inspector Gourlay accompanied him to the house, where he found that the dead man had been severely handled. He had three large wounds about four inches long on the side of his face, three at the back of the neck and others on different parts of the body, from the appearance of which the police concluded that they had been caused by a hatchet: one of these weapons, having a blade of from four to five inches, was found alongside deceased's body in the empty house. It appears that the deceased, Wong Cheung, was a pongee silk cloth hawker, who lived at No. 40, Peel Street, and travelled daily to Wanchai, where he carried on his business. On the morning of April 3rd he left his home about 10 a.m. with 30 rolls of cloth, a small box containing his licence and \$10 in small money, and was last seen near the theatre a Causeway Bay at about one p.m. Then it is surmised that three carpenters, who were working on a floor of the house in Nullah Lane, called him in under the pretence of buying some cloth. While he was undoing his bundles one of these

men is supposed to have struck him a blow on the back of the neck with a hatchet, while the others made a great noise with kerosene tins with the object of drowning the deceased's cries for help: it is said that the neighbours complained about the noise caused by the carpenters. The motive of the alleged murder is supposed to have been robbery, as the hawker's goods and money had been removed, and the small box containing his licence broken open. The body was discovered by a servant girl in the employ of the landlady of the house. No arrests have been made, but the police are prosecuting inquiries.

LOCAL ADMINISTRATION TO BE INVESTIGATED.

H.M. APPOINTS A COMMISSION.

We understand that the unofficial members of the Legislative Council and the Sanitary Board have been appointed to sit as a commission to inquire into the subject of complaints under the Building Ordinance and into other matters affecting the working of the staffs of the Public Works Department and the Sanitary Authority. It will be remembered that at the last meeting of the Sanitary Board Mr. Hewett indicated that the Governor had appointed a committee of five to investigate certain complaints, but we understand this committee has been since enlarged so as to make the scope of its inquiries more comprehensive. The commission will be vested with full power. [see page 352].

RESUMPTION OF INSANITARY PROPERTY.

In accordance with the Government scheme for the purpose of improving the sanitary condition of the City of Victoria, the Public Works Department have just carried out the resumption of a considerable amount of property in the neighbourhood of Mee Lung Lane, by which about 700 or 800 people have been dispossessed. The accommodation which the dwelling houses legally afforded would be much less than that, but it is safe to infer that as usual the property was overcrowded. This locality was "reported on" some time ago, and from some of the worst hovels the people had removed prior to the final steps being taken. The houses in the lane have been boarded up. It is reported that there were a number of vacant houses in the vicinity.

THE BENNETTZ CASE.

Mr. H. Bennertz, the merchant with whose struggles to keep Changsha "open" in face of native opposition so much sympathy was expressed, has not been left long in peaceable enjoyment of the Tls. 25,000 which the Chinese paid him as compensation.

It appears that there was some sort of partnership with an American named Joseph John Gilmore, who first went to Changsha to "look-see", but subsequently left Mr. Bennertz alone to hold the fort. Mr. Gilmore is now suing him for a share of the Tls. 25,000, which Mr. Bennertz claims was personal compensation, and had nothing to do with the partnership. Other sums and arguments are involved, but that is the issue broadly of a suit that was still proceeding at the Shanghai Supreme Court when the last mail left. We note that Mr. Bennertz is a British subject born in India, his name being due to a German father.

LATER.

In his judgment in the claim by Mr. H. Bennertz's whilom partner at Changsha, the Shanghai Chief Justice took pains to avoid referring to Changsha as an open port, remarking that he did not wish to use a compromising word.

The effect of the judgment was that the firm's debts should be paid out of the Tls. 25,000, and that any balance remaining should come up again for adjudication. The partnership had been dissolved when Mr. Gilmore forsook Changsha for Hankow, but the terms of the compensation entitled him to something. It was extremely improbable, however, that there would be any balance when the debts were paid.

CANTON.

(FROM OUR CORRESPONDENT.)

May 3rd.

RAILWAY APPOINTMENTS.

Cheang To-chai (Taotai), who was in his native village in the Heungshan district at the time when he was elected president of the Railway, has declined to accept the position on account of old age and ill-health. He stated that he would accept the position of vice-president if offered to him. He has requested Wén, Taotai, to report this to the Viceroy at once.

HUPEH'S SUPPORT.

The Cantonese merchants in Hupeh sent a cable to the General Chamber of Commerce here stating that 220,000 shares have been subscribed for and the first installment of one dollar per share has already been collected.

A FORBIDDEN INDULGENCE.

A military officer, Captain Lau Sik-kwong, has been arrested in an opium den in the act of smoking opium. He is looked up in the Military Yamen. Captain Lau alleges in defence that he went in to search for soldiers smoking opium.

A QUIANT INCIDENT.

The head Monk of the Temple of the Guardian Spirit of the Town has been fined Tls. 2,000 by the Viceroy for keeping his temple in an insanitary condition. The Viceroy goes daily to that temple to pray for the cessation of rain.

NEW NAMHOI.

Yu Yu-kwan, an expectant magistrate, who is at present director of the infantry college, has been appointed to the post of Nam-hoi, and will take up his appointment on the 27th inst.

May 7th.

FROM THAT BOURNE.

Acting under instructions from the Hongkong Government, H.B.M.'s Consul General in Canton has sent a despatch to Viceroy Shum requesting H. E. to effect the arrest of Leung Man-sang, a writer in the Tung Wa Hospital, who is alleged to have embezzled a sum of \$5,900 out of the institution's funds. It is said that Leung is in hiding in his native village at Lam-Tao, in a Heungshan district.

It is reported that the Viceroy has sent braves to effect his arrest and to seize any property he may have.

CLAN FIGHTS.

A big clan fight has taken place between the people of the Tong Kai and Sui Kong villages. The Nam-Hoi magistrate sent one of his deputies named Chi Chung-yau to the two villages in question to settle the trouble. The villagers refused to have anything to do with him and compelled him to turn back. The matter being reported to the Nam-Hoi, the latter has now despatched Commadore Wong Pui-chong with a strong force of soldiers to the village, while the Nam-Hoi and Pun-Yu are also proceeding there to deal summarily with the leading offenders of both sides.

FLOODS AND FAMINE.

The Tai-Chap, Ting-On, Fa-Kong, and Pak Mok-long district dykes, all in the Nam-hoi district, have been demolished. Hundreds of houses have been swept away and the neighbouring fields are all flooded. The people have petitioned the Viceroy for help as they are homeless and in danger of starvation. It is reported that H. E. left here at noon yesterday and has gone to the flooded villages accompanied by three weiyuns to distribute relief money amongst the sufferers. It is said that if the rains continue for a few days more a severe famine will be felt in South China.

STILL RAINING.

The recent rains have caused many buildings to collapse. Yesterday a house in Yee Ling mews came down with a formidable crash, killing one of the inmates. At the No. 1 Police Station a huge tree fell, crashing through the Station. Fortunately for the inmates, the house did not collapse at once, and they were all able to escape. The unsuccessful cannonading to disperse the rain clouds has been abandoned.

May 8th.

BAD POLICEMAN BEHEADED.

Lau Tai, a police constable from No. 4 police station, was tried a few days ago at the Nam-Hoi Magistracy on a charge of rape and having been found guilty was sentenced to death by Viceroy Shum. Lau Tai was taken yesterday to the execution ground and beheaded.

PENANG SUBSCRIPTIONS.

The Cantonese merchants of Penang have remitted \$65,950 to the Kwong Kee firm of Canton on account of railway shares purchased on their behalf. This amount represents twenty per cent. of the value of shares subscribed for.

THE NEW (CHINESE) WOMAN.

A handsome looking Chinese nurse named Ah Sze was insulted by a vagabond while walking along the new bund a short distance from the I. M. Customs. She was not to be intimidated, however, being the daughter of a pugilist, and she knocked the insulter over into the river. The vagabond was rescued in time from a watery grave and handed over to the police, amidst the jeers of the crowd that had inevitably gathered.

May 10th.

A CHINESE COME-Y.

Expectant Magistrate Cheong, at present doing duty as deputy at the Chief Police Station, is an equestrian. His pony is a good one, his saddle best English make, and as he ambles through the narrow streets to the office every day, his sword dangling against the ribs of his Rosinante, he cuts a fine figure, and knows it.

His groom is a character, too, in his way. He is a welcome and familiar figure at the fan-tan table, notwithstanding that he has had a long run of luck. The fan-tan people "lay low and said nothing", and the other day the luck turned. They cleaned him out. He pawned his master's fine English saddle, and sold the pony for \$30 to a Bannerman, and disappeared. The Bannerman ambled through the narrow streets, cutting as fine a figure as the legitimate owner, until arrested. Now they are hunting for the gambling groom.

THE NEW BUND.

The new bund from the steamers' wharves down to Dutch Folly is nearly completed and is fairly well done. Trees are being planted all along, and when the place has been trimmed a bit and the surplus materials removed, it will undoubtedly improve the appearance of this side of the City.

THE FLOODS.

Viceroy Shum returned on May 8th from his tour of inspection to the districts most affected by the recent floods. The district that has suffered most is the Poon Yu district, where numerous dykes have been washed away. The floods having somewhat subsided the Fatsan line has resumed running, but the trains travel slowly so as to avoid accidents.

AN "INTERNATIONAL AFFAIR."

It is reported that on the 6th inst. a foreigner accidentally shot a sampan girl and killed her. The matter was about to be amicably settled when the Nam-Hoi Magistrate learning about the affair sent for her mother or mistress and told her that this being an international case it could not be settled out of court. The hearing of the case is proceeding.

COOLIES FOR SOUTH AFRICA.

On May 7th the coolie transport ship *Cranley* arrived at Hongkong from Chinwangtao on her way to South Africa with 2,111 coolies on board. This is invested with more than ordinary interest in view of present happenings in the Transvaal.

H. E. the Governor has been pleased to appoint Mr. A. J. Darby to be secretary to the Equatters' Board during the absence on leave of Mr. L. C. Rees, or until further notice; Mr. E. A. Hewett provisionally and subject to His Majesty's pleasure to be an unofficial member of the Legislative Council in place of Mr. R. G. Shewan, resigned; Mr. M. H. Logan to be district engineer on the Kowloon-Canton railway construction, British section; Mr. R. Baker to be personal assistant to the chief resident engineer of the British section of the Kowloon-Canton railway.

THE HARBOUR MASTER'S REPORT.

The following extracts are from the Harbour Master's report on Hongkong shipping for the year 1905:—The total tonnage entering and clearing at ports of the year 1905 amounted to 34,185,091 tons, being an increase, compared with 1904, of 622,305 tons, and the highest tonnage yet recorded. There were 227,909 arrivals of 17,142,393 tons, and 224,849 departures of 17,042,698 tons. Of British ocean-going vessels 3,839,050 tons entered, and 3,833,274 tons cleared. Of Foreign ocean-going vessels 2,917,550 tons entered, and 2,903,285 tons cleared. Of British river steamers 2,776,982 tons entered, and 2,777,040 tons cleared. Of Foreign river steamers 329,743 tons entered and 329,854 tons cleared. Of steamships under 60 tons trading to ports outside the waters of the Colony 35,724 tons entered, and 35,724 tons cleared (these figures do not include private steam launches). Of junks in foreign trade 1,428,966 tons entered, and 1,446,474 tons cleared. Of steamships under 60 tons plying within the waters of the Colony 4,622,661 tons entered, and 4,546,651 tons cleared. Private steam launches or the Star Ferry Co's craft are not included in these figures, as the company state that no record is kept of the number of trips made, or passengers carried by their vessels. Of junks in local trade 1,191,717 tons entered and 1,170,446 tons cleared. Thus:—British ocean-going vessels represented 22.4 per cent.; Foreign ocean-going vessels represented 17.0 per cent.; British river steamers represented 16.2 per cent.; Foreign river steamers represented 2.0 per cent.; steamships under 60 tons, Foreign trade, represented 0.2 per cent.; junks in Foreign trade represented 8.4 per cent.; steamships under 60 tons, local trade, represented 26.8 per cent.; junks in local trade represented 7.0 per cent., the exception of the large increase in steam-launches plying within the waters of the Colony, which affords good evidence of the enhanced internal traffic in the Colony. The actual number of ships of European construction (exclusive of river steamers and steam launches) entering during the year was 889 being 506 British and 383 Foreign. These 889 ships entered 3,926 times and gave a total tonnage of 6,756,600 tons. Thus, compared with 1904, 4 more ships entered 81 less times, and gave a collective tonnage increased by 212,890 tons.

Ocean vessels under the British Flag show a decrease of 320 ships of 36,400 tons. This decrease loses any significance it may at first sight appear to possess when viewed in conjunction with my report for 1904, where an increase appears of 352 ships of 930,300 tons which is shown to be practically due to special circumstances connected with the late war. These special circumstances being removed with the advent of the Baltic Fleet in Far Eastern waters in April, 1905, the shipping tended to return to its normal state, and we are left with a net increase over the figures for 1903 (neglecting those for 1904) of 33 ships of 883,890 tons. This seems to show a continuance of the general increase in size of British ships trading to the Far East. In British River Steamers there is an increase shown of 1,616 ships, which is due to the additional small craft plying between here and Mira Bay, which have been treated as river steamers, though they do not strictly satisfy the definition. The decrease in tonnage, of 143,338 tons, is accounted for by the fact that three moderate sized vessels were taken off the run early in the year, and much smaller craft substituted. For foreign ocean vessels an increase of 149 ships of 469,938 tons is shown. Here, again, reference to my 1904 report is necessary in order to properly appreciate the significance of the figures. During that year, on account of the war, there was the enormous decrease, of 1,149 ships of 1,910,689 tons, of which Japanese shipping accounted for 834 ships of 1,809,000 tons. The causes militating against the employment of Japanese ships were not removed until late in 1905, indeed, they are not completely removed even now, so that the increase now shown is but the partial restoration to normal conditions, and should really be read as a net decrease, on the figures for 1903, of 1,000 ships of 1,440,951 tons. In foreign river steamers the decrease of 61 ships

is due to the fact that two small Chinese vessels have become British, and the increase in tonnage to the more frequent running of two moderate sized French steamers. The remaining increases and decreases do not present any points of importance, with Eight thousand one hundred and thirty-three (8,133) steamers, 22 sailing ships, and 900 steamships under 60 tons in foreign trade, entered during the year, giving a daily average entry of 24.81 as compared with 23.25 in 1904. If the figures for foreign trade junks are added, the daily average would be 70.5, as against 70 in 1904. The 506 British vessels carried 3,793 British officers and 30 Foreign officers, as follows:—British, 3,793; Dutch, 2; Norwegian, 1; Swedish, 1; United States, 26. Thus, the proportion of Foreign officers serving in British vessels was 0.99 per cent., comprising 4 nationalities. A decrease of 0.08 per cent., with an increase in number of officers borne, in a slightly decreased number of vessels. The 383 Foreign vessels carried 2,895 officers, of whom 119 were British, as follows:—In Chinese vessels, 80; French 2; in Japanese 8 and in United States, vessels, 29. Thus, 4.11 per cent of the Officers serving in Foreign vessels visiting the port were of British nationality. A decrease of 2.51 per cent. with a decrease in number of ships and of officers borne therein. The 506 British vessels carried, as crews, 30,983 British, 2,818 other Europeans, and 108,032 Asiatics; while the 383 Foreign vessels carried 1,219 British, 42,553 other Europeans, and 78,226 Asiatics. This shows a growing tendency, when compared with previous years, for vessels to employ their own nationals to the exclusion of Asiatics and other Europeans.

My opening remarks under the heading of trade in my report for 1904 are as applicable now as then. The inaccuracy of these cargo returns is strikingly exemplified in the enormous increase shown in the import of sugar, which amounts to 106,091 tons, or an increase of 51.5 per cent. From enquiries made, it appears that no such abnormal increase has taken place, and the explanation of the discrepancy is that the sugar returns, since the passing of the Sugar Convention Ordinance and the regulations made thereunder in June, 1905 (a period of only six months), have, perforce, been accurate, so that, apparently, double this amount of sugar has, in previous years, if reported at all, been reported as "General." Under the heading imports there appears a decrease of 280,888 tons, or 6.7 per cent. Though the general tendency is towards decrease in most of the items, there are substantial increases reported in cotton, hemp, and general cargo, of 70.2 per cent., 38.2 per cent., and 1.9 per cent., respectively, but it is difficult to say if these are genuine increases or no. Prominent among the decreases are:—Coal, 68,467 tons, or 5.9 per cent. This is probably due to the cessation of maritime warlike operations. Flour, 61,413 tons, or 52.9 per cent. This appears to be due solely to the "boycott" of United States' goods. Bulk kerosene, 13,554 tons, or 23.8 per cent. It seems that this is merely due to the fact that large cargoes which in previous years would have been landed here, have been carried on to other ports in the same bottoms, and hence come under the heading "Transit." Case Kerosene, 26,186 tons, or 26 per cent. This reduction, again, may be ascribed to the "boycott." Liquid fuel, 8,877 tons, or 91 per cent. There would appear to be little demand here for this form of bunkering, hence this decrease. Rice, 257,168 tons, or 31.2 per cent. This, though a decrease on the figures for 1904, appears to represent merely a return to normal conditions after the enormous rice trade to the North during the earlier stages of the war. An increase is reported of 263,492 tons in Transit cargo. The reports show a decrease of 262,190 tons in export cargo.

The total reported import trade of the port for 1905 amounted to 25,764 vessels of 11,928,015 tons, carrying 7,830,424 tons of cargo, of which 4,415,006 tons were discharged at Hongkong. This does not include the number, tonnage, or cargo carried by vessels in local trade. Similarly, the export trade of the port was represented by 25,814 vessels of 11,325,601 tons, carrying 8,011,305 tons of cargo, and shipping 651,523 tons of bunker coal. During the year 1905, 16,303 vessels of European construc-

tion of 19,706,728 tons (net register), reported having carried 10,277,939 tons of cargo, as follows:—Import cargo 3,869,751 tons, export cargo 2,343,701 tons, transit cargo 3,415,418 tons. Bunker Coal shipped 649,069 tons. The total number of tons carried was, therefore, 52.15 per cent. of the total net register tonnage (or 71.24 per cent. exclusive of river steamers). The total number of European constructed vessel importing cargo for the year was 8,155 having a tonnage of 9,863,325, the net increase in the number of vessels being 694 and in the tonnage 235,575. The number of tons of cargo imported was 3,869,751 as compared with 4,150,639 for 1904. 8,148 European constructed vessels having a tonnage of 9,843,403 tons exported cargo during the year, the net increase in the number of vessels being 647 and in the tonnage 243,841 tons. The quantity of cargo exported for 1905 was 2,343,701 tons as against 2,605,861 tons for 1904.

The river trade in imports, exports and passengers compared with the previous year was as follows:—

Year	Imports	Exports	Passengers
1904.....	294,216	209,534	2,231,586
1905.....	294,425	212,649	2,673,202

48,403 junks measuring 2,620,683 tons imported 862,459 tons of merchandise to the Colony during the year, while 48,339 junks measuring 2,616,920 tons exported 721,591 tons of goods. The net increase in the number of arrivals and departures, including emigrants for the year is 459,832, the numbers being 3,319,295 for 1905 and 2,859,413 for 1904.

The total revenue collected by the Harbour Department during the year was \$300,567.76, being a decrease of \$366.19 on the previous year. On the 31st December, there were 276 steam-launches employed in the harbour, of these, 109 were licensed for the conveyance of passengers, 147 were privately owned, 15 were the property of the Government, and 5 belonged to the Imperial Government in charge of Military Authorities. Twenty-three master's certificates were suspended, 4 for three months, 9 for two months, 8 for one month, 1 for six weeks; two masters were cautioned and discharged respectively. 442 engagements, and four hundred and thirty-three discharges of masters and engineers were made from 1st January to 31st December. Eleven steam-launches were permitted to carry arms, etc., for their protection against pirates, of these, nine were previously permitted, and two during this year. 64,341 emigrants left Hongkong for various places, during the year, of these 48,289 were carried by British ships and 16,052 by Foreign ship; 140,483 were reported as having been brought to Hongkong from places to which they had emigrated, and of these, 113,796 were brought in British ships and 25,586 by Foreign ships. During the year, 17 ships were registered under the provisions of the Imperial Merchant Shipping Act, and 8 certificates of registry were cancelled. 376 documents were dealt with in connection with the Imperial Merchant Shipping Act, the fees collected thereon amounting to \$1,266. Seventy-five cases were heard in the Marine Magistrate's Court, refusal of duty on board ship and breach of Harbour Regulations were the principal offences.

During the year, 359 permits were issued, under the provisions of the Ordinance for Sunday cargo working. Of these, 93 were not availed of owing to its being found unnecessary for the ship to work cargo on Sunday, and the fee paid for the permit was refunded in each case. The revenue collected under this heading was \$43,475; this was \$5,850 more than in 1904. The station at the Island of Cheung Chau was opened in September, the one at Tai O in the Island of Lantau, in October of 1899, that at Tai Po in Mifs Bay, on board the Police steam-launch, in January, 1900, that the Deep Bay, on board the Police steam-launch, in November, 1901, that at Sai Kung in April, 1902, and that Long Ket, on board the Police steam-launch, in April, 1905. From 1st January to 31st December, 1905, 9,138 licences, clearances, permits, etc., were issued at Cheung Chau, 3,937 at Tai O, 6,284 at Tai Po, 4,177 at Deep Bay, 2,564 at Sai Kung and 3,297 at Long Ket. The revenue collected by the Harbour Department from the New Territory during 1905, was \$18,421.95.

KIAOCHOW TRADE REPORT, 1905.

Following is the annual report of Mr. E. Ohlmer, Commissioner of Customs, with one or two unimportant deletions:—The trade of the year 1905 has been satisfactory throughout. The same gratifying increases in both Imports and Exports, reported annually since the opening of the port, have again to be recorded. Profits to merchants have been fair, and healthy developments in several directions give good promise of further expansion of trade. The total value of the 1905 trade, Hk. Tls. 22.3 millions, show an increase of Hk. Tls. 3.5 millions, or nearly 20 per cent. over the total in the previous year, of this amount, Hk. Tls. 17 millions is the value of the trade carried on in vessels of Foreign type and Hk. Tls. 5.3 millions is the value of the junk trade. While the latter has remained stationary throughout these years, fluctuating within the limits of about 25 per cent., chiefly in harmony with the harvest, the former has grown steadily every year and is still capable of considerable development. The import of Foreign goods has increased from Hk. Tls. 8.7 millions in 1904 to Hk. Tls. 10.8 millions, while the value of direct Exports to Foreign countries, Hk. Tls. 2.4 millions, has nearly trebled during the year. The principal feature of the year's trade, deserving of special notice, is the general increase of Exports, which until now has been the weak point in the trade of this port. Among these, two staples—Coal and Beans—appear for the first time in quantities which will be further noticed in their proper places below, and give promise of future development and augmentation of tonnage and trade. Another article deserving of notice is Straw Braid. This staple has, thanks to the efforts of the merchants and the aid of the railway, been gradually drawn to this port; the export has risen from 9,969 piculs in 1903 to 25,383 piculs in 1904 and 41,417 piculs in 1905, of which 24,628 piculs were sent direct to Foreign countries, chiefly England and Germany. Tsingtau has now become the principal market in North China for this article, having outstripped both Chefoo and Tientsin. The principal factors that have contributed to this happy result are no doubt the railway and the facilities offered by the magnificent harbour. The latter is progressing rapidly, and with the completion of the second wharf, which may be looked for soon, will have accommodation for a dozen steamers working at a time. The end of the Manchurian war doubtless contributed to stimulate trade during the last quarter of the year. A further and considerable improvement may be looked for in 1906, the German Government have decided to restrict to the harbour the free area, which hitherto comprised the whole of the German territory and therefore necessitated frontier and railway control by the Customs. The additional Customs Convention concluded on the 1st December, 1905, comes in force on the 1st January, 1906; Customs control of railway traffic outside of the free-port territory and of the frontier traffic will cease; merchandise leaving the free-port territory will, with certain exceptions, pay Import Duty according to the General Treaty Tariff, and is then free to go anywhere into the hinterland without restriction. The Colonial Government will receive as a contribution to the expenses of the territory 20 per cent. of the Import Duty, the amount being subject to revision every five years. This long looked-for event practically removes all restriction to trade with the interior. Passengers and goods may now freely move to and from the hinterland without Customs control and restriction of any kind, and Tsingtau, by reducing its free-port area to the harbour in exchange for free commerce with the Shantung hinterland, will reap the chief benefit of this change. It is safe to predict that the year 1906 will show a large increase in the trade of this port and fully prove the wisdom of the new Customs arrangement.

The year's harvest has, on the whole, been good, only two articles—Fruits and Beans, which suffered from frost and drought—yielding poor crops. The export of produce has however, not been in keeping with the yield. As regards Silk, both Yellow and Wild Raw, the Shanghai prices being low, it was found more profitable to work up the article into Pongees and export to Peking by land, both

Silk and Pongees, and to Manchuria, the latter chiefly by junks from the northern coast ports. Silk spinning and weaving in the interior has, moreover, received, a new impetus through two schools established in Tsingchow and Chang-hsien, which are reported to turn out annually a considerable number of trained hands, and in consequence considerably larger amounts of Pongees, etc., are being manufactured there. In Ground-nut Oil likewise the export has been smaller than usual and than is warranted by the good crop of Ground-nuts. A considerable amount of Ground-nut Oil now remains on the market for export in 1906. This is partly due to a bad market in the South and partly to one of those monetary crises caused by gambling operations in cash referred to in my Trade Report for 1899. In consequence, two of the old Ningpo firms have had to close, leaving only two in this centuries-old trade; four cash shops are either bankrupt or about to close, while three others will be able to tide over their difficulties. In this connection it should be recorded that the Shantung government has established a Mint for coining copper 10-cash pieces, which is already in operation. Our statistics show an import of 15,000 piculs of Copper for this purpose. These coins, hitherto largely imported from Shanghai (*vide* Treasury statistics), are already in circulation, and, it is hoped, will help to steady the market and prevent the mischievous gambling operation above referred to.

REVENUE—The total collection amounts to Hk. Tls. 545,150, of which Hk. Tls. 491,649 is Foreign and Hk. Tls. 53,501 Native Customs Revenue. Compared with the figures of the previous year, the Native collection shows a decrease in both Imports and Exports of about Hk. Tls. 5,000, while the Foreign collection has increased by about Hk. Tls. 118,000, or about 30 per cent. This increase is mainly in Import Duties, which show an advance of Hk. Tls. 94,000; while Export Duties show an increase of Hk. Tls. 19,000 and Coast Trade Duties of Hk. Tls. 6,000.

FOREIGN TRADE—(a) Imports.—The value of the direct Foreign Imports, exclusive of Railway and Mining Materials, is Hk. Tls. 3,729,598, an increase as compared with the total of the preceding year of Hk. Tls. 1,216,604, or nearly 50 per cent. The value of Foreign Imports from Native ports, chiefly Shanghai, amounted to Hk. Tls. 6,458,010, showing also an increase of Hk. Tls. 1,149,139, or over 20 per cent. The large increase in the direct Foreign trade is all the more satisfactory, as it is distributed fairly evenly over all classes of goods, thereby giving promise of continuation in the future. Cotton Goods have increased in value to the extent of Hk. Tls. 310,759; Miscellaneous Piece Goods, Hk. Tls. 96,813; Metals, Hk. Tls. 324,788; Artificial Indigo, Hk. Tls. 74,124; Window Glass Hk. Tls. 14,286; Japan Matches, Hk. Tls. 119,247; Needles, Hk. Tls. 5,587; Sugar, Hk. Tls. 76,656; Timber, Hk. Tls. 65,210; Wines, Hk. Tls. 7,105; and Sundries, Hk. Tls. 243,903; while a comparatively small decrease is shown only in Kerosene Oil, to the extent of Hk. Tls. 56,338.

(b) Exports.—The value of the direct Exports to Foreign countries amounts to Hk. Tls. 2,430,350, and is nearly three times that of the preceding year (Hk. Tls. 845,302), while the value of the Exports to Chinese ports, Hk. Tls. 4,794,908, shows a small decline of Hk. Tls. 68,861. The most important increases in the direct trade are: Beancake, Hk. Tls. 569,506 (to Japan); Bristles, Hk. Tls. 15,438; Coal, Hk. Tls. 50,164; Wild Raw Silk, Hk. Tls. 19,187; Shantung Pongees, Hk. Tls. 39,869; and Straw Braid, Hk. Tls. 903,296. Of these articles, Beancake and Coal appear for the first time in appreciable quantities. The former, due to a decline in Newohwang shipments owing to the war is not likely to figure in the Returns for 1906 to the same extent; but a beginning having been made, the export of this article is likely to gradually develop into a steady trade; while Shantung Coal, which has considerably improved in quality and has locally already driven Japan and others almost out of the market, is sure to have an increasing demand on the coast of China and become one of the staple Exports of this port. Another most satisfactory feature of the Export trade is the rapid increase in and the direct shipment to Foreign countries of Straw Braid. While in

1904 shipment amounted to 25,383 piculs or nearly as much as was shipped from Tientsin (26,295 piculs), and over a third of the total shipped from North China (68,500 piculs), the export during 1905 has risen to 41,417 piculs, of which 24,628 piculs were direct shipments against 9,884 piculs in 1904.

Coast Trade—(a) Original Shipments Coastwise.—The total export of native goods to coast ports amounted to Hk. Tls. 4,794,908, against Hk. Tls. 5,403,769 in the preceding year. Of this total, goods to the value of Hk. Tls. 2,343,902 were carried by Native junks, and Hk. Tls. 2,451,006 worth by Foreign vessels. A decline is chiefly noticeable in Yellow Raw Silk, 1,371 piculs, which is due solely to the low prices obtainable at Shanghai and the high prices ruling in Peking and Manchuria, which took the whole supply, being conveyed to Peking by land and to Manchuria, by junk, from northern coast ports; in Ground-nut Oil, to the extent of about 16,000 piculs; and Fresh Pears, 56,000 piculs (in the last two commodities the falling off was due to a bad harvest); and in Cow Hides, 2,500 piculs. Increases are shown in Pongees, 63 piculs; Refuse Silk, 1,391 piculs; Goat-skin Rugs, 50,000 pieces; Felt Caps, 82,000 pieces; Melon Seeds, 11,000 piculs; Dog-skin Rugs, 4,100 pieces; and Fresh Vegetables (Cabbages), 12,000 piculs.

(c) Coastwise Arrivals.—The total net value of coastwise arrivals is Hk. Tls. 10,724,435, an increase of about 15 per cent. over the total in 1904 (Hk. Tls. 9,199,230). Of this amount, Hk. Tls. 6,458,010 represent the value of Foreign goods, almost all from Shanghai, against Hk. Tls. 5,308,871 in the preceding year; and Hk. Tls. 4,266,475, the value of Native goods, chiefly from the Kiangsu and Chehkiang provinces, against Hk. Tls. 3,890,359 in 1904. Of the latter amount, Hk. Tls. 2,947,070 is the value of Native goods arrived by junks, and Hk. Tls. 1,319,405 of that arrived by steamers. The principal increases in Foreign goods are to be found in Cotton Piece Goods, Metals, Window Glass, Matches, Needles, and Sugar (for details, *vide* comparative table).

Shipping—(a) Under General Regulations.—400 steamers and 6 sailing vessels, of together, 422,673 tons, entered the port during the year: of these, 327 steamers and 6 sailing vessels arrived with cargo and 73 steamers in ballast. 399 steamers and 6 sailing vessels cleared during the year, of which 315 steamers left with cargo, and 84 steamers and 6 sailing vessels in ballast. As compared with the total in 1904, the entries show an increase of 55 vessels and 37,616 tons. The total entries and clearances during the year amounted to 811 vessels, of 843,630 tons.

(b) Under Inland Steam Navigation Rules.—A beginning was made during the year to open trade with Haichow; but the difficulties, chiefly of navigation, soon brought the undertaking to a stop. One vessel, the s.s. *Chefoo*, 135 tons, made 11 trips altogether—3 with cargo and 8 in ballast inwards, and 6 with cargo and 5 in ballast outwards making a total of 22 entries and clearances, aggregating 2,970 tons.

(c) Of Native junks, 4,389 entered and 4,536 cleared during the year, of a carrying capacity inwards of 1,495,205 piculs and outwards of 1,449,794 piculs. As compared with the previous year's figures the total entries and clearances show an increase of 418 vessels and an increase in the carrying capacity of 450,582 piculs.

The Shantung Railway Company did a prosperous business during the year, having conveyed 303,000 tons of goods and 795,000 passengers, which is an increase of 69 per cent. in the former and 42½ per cent. in the latter category as compared with the figures of the previous year. With the new Customs arrangement trade and railway traffic will receive a fresh impetus, and the line, which is now beginning to pay bids fair to become a lucrative investment as well as a boon to the country. The Shantung Mining Company is also progressing favourably. The Fangtze mines raised 134,000 tons of coal during 1905, which was used partly for the railway and partly locally, and some was exported. With the opening of the Annie pit during 1906 a considerably increased output and export coastwise may be looked for. At this mine 44 Europeans and 2,000 Chinese are employed, the latter at a pay of from 400 to 600 small cash a day for 8 hours' work. In the Poshan region the Teetschuan shaft has been completed to a

depth of 116 metres, and mining operations will commence during 1906. The station at Tschinglingchen reports the discovery of a vein of magnetic iron ore, 2,500 metres in length and from 10 to 35 metres in thickness, containing 65 per cent. of iron, free from any deleterious substances. In both regions the relations with the officials and the people were excellent, and the prospects throughout are good. A floating dock, capable of taking in vessels of 16,000 tons capacity, 9 metres depth, 140 metres length and 26 metres width, commenced work in October, and took in and repaired during the three winter months 8 war and merchant vessels of together 14,614 tons. The dock is fitted with the most modern appliances for lighting, etc., by electricity from a central station, which is arranged to light up the vessels for work at night inside and outside. Vessels in dock can also be heated by steam from the dock. The workshops are capable of executing work of all kinds. Two cranes, of 20 tons capacity each, are now available, and from the beginning of 1906 a giant crane capable of lifting 150 tons at a distance of 14 metres will be ready for work. The published docking rates vary according to the size of the vessel, from 40 cents per ton for a 500 ton vessel to 20 cents for a vessel of 6,000 tons and upwards. The Silk Industrial Establishment is now in full work. Its products have found a ready sale, being highly appreciated in Europe. At present it employs 600 hands, which it is intended gradually to raise to 900. The majority of these have had from two to three years' training and turn out good work. The establishment, which is near Tsangkou, the railway station 18 kilometres north of Tsingtau, is quite a settlement of its own and a model of its kind, which will bear comparison with any in Europe. The employees are all housed by the company, men and women apart, supervised by elders, are well fed and cared for, and, in consequence, employment by the company is eagerly sought for. Besides the above there have been established during the last two years here a brewery, a soap manufactory, and a tannery, which are now in full working and give every promise of success. There were also two dairy farms started during 1905, but both met with the great misfortune that the animals, 36 fine specimens from Europe and Australia, all landed in perfect condition, died of rinderpest: one lot after two weeks and the other within two months after arrival.

Finally, it remains to place on record the successful attempts which have been made during recent years to improve the fruit production in these regions by grafting. The Forestry Department has, since 1900, imported a quantity of fine trees from Europe and California, has instructed the farmers how to graft, and is now distributing gratis thousands of grafts of all kinds to the people who are anxious to secure them. In 1905 Foreign fruit appeared in the market in small quantities, and, as both soil and climate are suitable, a considerable export of Foreign fruit may be looked for ere long.

CHINA TRADE RETURNS, 1905.

Following are further extracts from the report for 1905, by the Statistical Secretary of the I. M. C.:—The collection of the year was Hk. Tls. 35,111,005, an increase of Hk. Tls. 3,617,849, or 11½ per cent. Considered in its relation to China's Foreign indebtedness, the collection in 1904, at the average exchange of that year, realised £4,514,019, and £5,281,280 in 1905, at the average exchange of 1905, the fortuitous gain to the Chinese exchequer being thus 17 per cent., and the drain on the Imperial resources being reduced to this extent. The increase is almost entirely provided by Import Duty, which was greater by Hk. Tls. 3,162,779, or 30 per cent.; the explanation of this increase has been given elsewhere, and it should probably be held that much of it is anticipation of 1906 Revenue. Export Duty was practically unaltered, while Coast Trade Duty was more by Hk. Tls. 173,872, indicating a diminished foreign trade and increased shipments coastwise. The revenue (duty and likin) from Opium was Hk. Tls. 6,857,243, a reduction of Hk. Tls. 88,476; to this revenue, foreign Opium contributed Hk. Tls. 5,711,711, less by Hk. Tls. 313,401, and Native Opium contributed

Hk. Tls. 1,145,532, more by Hk. Tls. 224,934. Tonnage Dues were more by 10 per cent. Inland Transit Dues were Hk. Tls. 2,034,408, an increase of Hk. Tls. 247,156, almost entirely from foreign goods inwards, and fully accounted for by development in the traffic at Tientsin alone.

In considering the geographical distribution of the Revenue, it must be borne in mind that, on the Import trade of the northern and Yangtze ports, the principal part of the duties is collected at Shanghai, the primary importing port, and that only that part of the Import trade pays Duty at the subsidiary ports which is shipped in direct steamers or is under through bill of lading, to be transhipped directly at Shanghai. Taking the consumption ("net Import") of foreign goods in the Customs districts of Shanghai and of Tientsin and Chinwangtao together, it will be observed that the value of the trade in the two districts, in 1904, was in the proportion of 52 to 48, the year 1904 being taken because in 1905 so much of the net Import at Shanghai was made up of stocks in the warehouses carried over to 1906; the relative proportion of Import Duties collected was, in 1904, as 91 to 9, and in 1905, as 86 to 14. With this proviso borne in mind, it is to be noted that Newchwang has collected a total greater than in any previous year except 1899; Export Duty was less than in 1904, but collection on Imports, Foreign and Native, was more than double. The ports in Chihli are more by a half than in 1904, chiefly on the Import trade, from which the collection was doubled. Shantung ports are more by a fourth, Chefoo and Kiaochow maintaining their relative position. On the Szechwan trade the collection improved by a fifth, an increase nearly measured by the larger Revenue from Native Opium. The Hunan ports improved their collection slightly; Changsha is taking its natural position as the principal original port for Exports. Hankow shows a small falling off in the total, but with collection from direct Foreign Imports greater by a half. The Lower Yangtze maintain its position, Wuhu showing some increase, and Kiukiang and Chinkiang a decrease. The collection at Shanghai exceeded that of 1904 by Hk. Tls. 1,756,752, being half the total increase at the 36 ports; the increase in general Import Duty was Hk. Tls. 1,860,192; there was a decrease of Hk. Tls. 155,475 in Export Duty with smaller differences under other heads. The Chehkiang ports show decreases considerable in their proportions, generally distributed over all heads. Of Fuhkien ports, Foochow continues its downward course, with a reduced export of Tea and a smaller consumption of Opium; and Amoy was unchanged. Ports in Kwangtung (including Wuchow) gave a collection of Hk. Tls. 6,621,871, against Hk. Tls. 6,385,015 in 1904; Kowloon and Lappa show considerable increase, due to larger quantities of Opium taking the junk channel; and Kiungchow show some development in its Export trade and a markedly increased consumption of Opium. The frontier ports present no distinctive characteristics, except that, at Mengtsz, Import Duties were less and Export Duties more.

The total value of the Foreign trade in 1905 was Hk. Tls. 674,988,988, an increase of 16 per cent. To this total the northern, Yangtze, and central ports, from Newchwang to Wenchow, contributed 72 per cent.; the southern ports, from Santuao to Pakhoi, 26½ per cent.; and the frontier ports, 1½ per cent. The share of Shanghai alone, as a primary importing and ultimate exporting port, was 53 per cent. of the whole trade of China and 74 per cent. of that of the district commercially subsidiary to it. The disproportion of Imports to Exports has gone on increasing: Imports were greater than in 1904 by 30 per cent., and Exports were less by 5 per cent.; while Imports exceeded Exports by 43 per cent. in 1904 and by no less than 97 per cent. in 1905.

A large portion of the trade of China (usually 40 per cent. each of Imports and Exports) passes through Hongkong, and must be assigned in our records to that port, though it can produce or consume but little; this fact throws much obscurity over the figures of the annual value of the direct trade with each country.

Exports from China show a total of Hk. Tls. 258,769,000 according to the statistics of the several countries, against Hk. Tls. 194,868,854 by our own figures; the latter sum was in

1903 based on market values, which the addition of Duty and shipping charges would increase by about Hk. Tls. 20,000,000, to which again, for the Customs values of most countries, must be added freight and insurance. Here, again, we are able to analyse the trade with British India, Indian receipts from China amounting to Hk. Tls. 10,030,000, while declared shipments from Chinese Treaty ports were valued at Hk. Tls. 1,944,043. Among the Indian receipts are shown Raw Silk and Silk Piece Goods valued at Hk. Tls. 4,927,000, and Tea valued at Hk. Tls. 747,000, these two categories being pretty certainly of Chinese origin; also Refined Sugar valued at Hk. Tls. 1,740,000, and Copper Ingots Hk. Tls. 499,000, the bulk of the former and all the latter probably originating elsewhere than in China.

Making due allowance for the fact that Hongkong acts to a minor extent as a receiving and distributing centre for neighbouring ports—Kwangchowwan, Formosa, Manila, etc.—and for a difference in some cases in the fiscal period and in systems of valuation, it would seem safe to say that the distribution shown in the first and third columns of figures in the table gives a fair approximation to the true division of the foreign trade of China in 1903, both direct and through Hongkong.

(a.) Imports.—The total value of net Imports was Hk. Tls. 447,100,791, to which the northern, Yangtze, and central ports contributed 76 per cent.; the southern ports, 22½ per cent.; and the frontier ports, 1½ per cent. This total was Hk. Tls. 103,040,183 more than in 1904, the increase being provided, roughly, a half by Cotton manufactures, a fourth by Metals, and a fourth by Sundries.

Opium was imported in smaller quantities, 51,190 piculs of all kinds, the quantity being 5 per cent. and the value 8 per cent. less than in 1904. Bengal Opium (Benares and Patna) more than recovered the loss of 1904, being 1,343 piculs more than in 1903 and 4,666 piculs more than in 1904; Malwa and Persian together were 7,931 piculs less than in 1903 and 7,542 piculs less than in 1904. The northern ports took a slightly large quantity, 690 against 657 piculs, mainly due to the difficulty of getting Manchurian drug. The Yangtze ports consumed much less of the Indian drug, 7,169 against 9,745 piculs, the void being filled by increased use of Chinese Opium. Shanghai consumed and sent inland 14,811 piculs, against 15,203 piculs in 1904, the consumption of the Soochow district being included in these figures; while the Chehkiang ports took 4,041 piculs, against 4,813 piculs. Coming now to the area supplied from Hongkong as a distributing centre, Fuhkien took 6,600 piculs, against 7,273 piculs in 1904; Kwangtung ports (including Wuchow), on the other hand, show an increase, 18,609 against 17,061 piculs, increased consumption being reported from all but Swatow. The Lappa Commissioner notes, with reference to the increase (518 piculs, 4 per cent.) in the quantity passing his stations, that "a significantly corresponding decrease of 838 piculs took place in the shipments from Hongkong to Kwangchowwan"; the Kiungchow Commissioner comments in the same sense on the increase (from 450 to 1,075 piculs) in the quantity reported to his office: arrangements made for the development of the legitimate trade of this leased territory have involved greater regard being shown for the rights of the leasing Power in the adjoining territory. The reduction in the total is accounted for by diminished consumption in Central China—the Yangtze basin with Chehkiang; and in that area the place of Indian Opium is being taken by its Chinese rival. The rise in exchange reduced the cost of laying down the Foreign drug, and its consumption would have been still less but for this fact and for the action of the Indian Opium Department in increasing its sales of Bengal Opium and lowering the price. For Chinese Opium a new generation is coming on which is not wedded to any other flavour, and which finds its flavour not unattractive and its lower cost decidedly attractive, and it is likely to tend more and more to replace Indian Opium. The Chinese government is awake to the necessity of regulating the internal traffic in Opium and to the possibility of deriving a large Revenue from it; and since 3rd July has instituted the simultaneous levy of a collective tax on the drug coming down the Yangtze past Ichang,

circulation being thereafter exempt from tax in eight provinces, to be later on extended to 15 provinces. The tax (including customs levy) now amounts to a uniform rate of Hk. Tls. 118.93 a picul for junk-borne Opium, while for steamer-borne Opium it is Hk. Tls. 134.79 for the four "inner" provinces and Hk. Tls. 104 for the four "outer" provinces. Our only satisfactory index of the internal movement of Native Opium is found in the statistics of the Ichang Customs, and there, including both steamer-borne and junk-borne, the quantities have during the past six years been as follows:—

1900	1901	1902	1903	1904	1905
Piculs	Piculs	Piculs	Piculs	Piculs	Piculs
26,443	30,555	22,098	24,888	36,856	36,311

The legitimate importation of Morphia continues trifling, 54 ounces. The only comment is to be found in an incident in a village near Amoy, where a bag of American Flour, imported from Hongkong, caused the death of over 20 people from a concealed packet of Morphia which had been broken up in it.

Cotton manufactures rose to the abnormal value of Hk. Tls. 181,452,963, which was 81½ per cent. more than in 1904, on the inflated valuation of that year, and 30 per cent. more than the highest previously recorded import, that of 1902, when Cotton values were more normal. Plain fabrics (undyed Shirtings, Sheetings, T-Cloths, Drills, and Jeans) increased heavily, the importations in four years past having been as follows:—

1902.	1903.	1904.	1905.
Pieces.	Pieces.	Pieces.	Pieces.
18,710,469	13,562,460	12,640,084	27,724,980

The price of Raw Cotton in the Western markets was low at the end of 1904 and continued low for the first three months of 1905; during this period, as stated in my last Report, orders were placed for future delivery of large quantities of Piece Goods, and the subsequent increase in the price of Cotton (an increase of 67 per cent., from 3½d. per lb. in January to 6½d. in December) operated only to the benefit of the indenter in China. Of the plain fabrics named above, supplies came from the principal producing countries in the following proportions:—

	1903.	1904.	1905.
	Pieces.	Pieces.	Pieces.
Great Britain	7,841,605	8,109,020	13,548,025
America	4,782,141	3,703,548	12,586,893
Japan	731,723	607,312	780,680
India	53,806	183,461	650,636

To the import of 1905 the English mills contributed 49 per cent.; the American, 45 per cent.; the Japanese, 3 per cent.; and the Indian, a little over 2 per cent. Fancy goods, with a reduced cost for raw material, increased in value from Hk. Tls. 24,162,260 in 1904 to Hk. Tls. 27,320,865 in 1905. The increase in quantities is very general, and is most marked in Chintzes and Prints, Cotton Italians and Lastings, and Cotton Blankets. Cotton Yarn increased generally, even English spinnings sharing in the advance; the total increased from 2,280,878 to 2,553,797 piculs, of which India contributed 1,846,846 piculs and Japan 691,442 piculs. For this year Yarn has been swamped in the inflow of fabrics, and from a general average taking one year with another, of a half of the value of all Cotton manufactures, the value of Yarn has fallen to 36 per cent. of the whole. The mills of China have, however, had a busy and profitable year, and have supplied a larger proportion of the demand than formerly, being helped out by a fall in the Shanghai price of Cotton, coinciding with the rise in the price elsewhere.

The import of Metals was more than doubled in value. Brass, Lead, Tin, and Quicksilver were less in quantity and value, the reduced import of lead being attributable to the reduced export of Tea and, to some extent, to the increased price in Western markets. Iron and Steel were considerably increased in nearly every kind. Of the total value of all Metals, Hk. Tls. 45,428,998, Copper contributed over two-thirds, the importation (excluding Wire) in the past three years having been as follows:—

	1903	1904	1905
Quantity Piculs	91,971	289,528	964,621
Value Hk. Tls.	2,506,741	8,704,322	31,133,551

At the same time Spelter increased from 1,090 piculs in 1903, and 14,326 piculs in 1904, to 32,472 piculs in 1905. The year 1903 already exceeded the normal importation, and the increase since that year may be safely assigned to purchases for the Mints.

Foreign Rice was imported in smaller quantities, 2,227,916 piculs, against 3,356,830 piculs in 1904; the import of Yangtze Rice at Canton increased, however, from 2,221,483 to 3,901,912 piculs, and, with larger importation at Swatow also, the supplies from all quarters introduced into Kwangtung considerably exceeded those of 1904.

Cigars and Cigarettes continue to increase the value rising from Hk. Tls. 3,279,713 in 1904 to Hk. Tls. 4,734,579 in 1905. Household Stores also increased from Hk. Tls. 1,491,817 to Hk. Tls. 2,384,534, and Wines, Beer, and Spirits from Hk. Tls. 2,077,509 to Hk. Tls. 3,028,417. These figures are net, the value which remained in China of the year's importation; in addition, there were Household Stores of a value of Hk. Tls. 516,867, and Wines, Beer, and Spirits worth Hk. Tls. 474,607, re-exported during the year to Foreign countries. It is probable that much of this million taels' worth found its way to the cantons of the belligerent forces and that the amount would have been greater had the neutral zone between the two not been pushed to the north.

Flour, 931,761 piculs, was about the same as in 1904; but whereas in former years the importation was entirely from American mills during 1905 Australia has advanced into the market. Including re-exports, mainly from Shanghai in the direction of the seat of war, the import of Flour was 989,447 piculs in 1904 and 988,423 piculs in 1905. While the northern and central provinces of China take close on three-fourths of Foreign Imports in general, of Flour they take normally but a third of the year's importation, the tendency being more and more to have recourse to the products of flouring mills established on Chinese soil and grinding Chinese grain; imports at the ports served by Shanghai increased from 232,447 to 326,398 piculs, due possibly to the fact that the mills at Harbin were shut out from the Chinese market, but more probably to the demand for the troops in the North. The chief market for imported flour is in the ports served through Hongkong, which are constant importers of foodstuffs and in which the returned emigrants have introduced a taste for foreign luxuries; here the import fell from 707,000 to 662,025 piculs, and, as it is known that Australian Flour has won a footing for the first time in this market, it is probable that we have here an indication of the effect of the boycott on this American product, greater than the amount of this reduction.

THE WHAMPOA DEEP-WATER PORT SCHEME.

The annual report of the China Association includes correspondence between the Hongkong Branch and the London Committee. Following is an extract from letter dated 21st April, 1905:—

Dear Sir,—For some time past evidence has been accumulating which tends to show that a serious movement is on foot having for its object the opening of a port to serve eventually as the terminus of the Hankow-Canton Line. The idea is held to be impracticable by many whose opinion is entitled to respect, and who rely upon the natural advantages possessed by the harbour of Hongkong to defeat all efforts to challenge the supremacy of this port. We hope that the optimistic opinion is warranted by all the facts of the case, but there are certain facts which ought not to be lightly regarded and which are yet seldom referred to. We have nothing to oppose to the view that, as regards the larger ocean-going vessels, there is nothing to be feared. The new Pacific liners can never go to Whampoa, nor can the German mail steamers, no steamers, in fact, drawing anything over 26 feet. But with respect to steamers drawing no more than this, it is unsafe to assume no rivalry can be set up. A scheme for dredging a channel through the bar below Whampoa—the so-called "second bar"—has recently been put forward, and is receiving the favourable consideration of the Chinese authorities. It

is proposed to devote a large sum of money to this object, of which a considerable part will be set aside from the I.M.C. revenue. The proposed dredging operation would only be required to cut a channel some quarter of a mile long. If successful, ships drawing as much as 26 feet could get up to Whampoa at spring tides, and as much as 24 at neap tides. In referring to the proposed opposition port, we have described it as "at or near Whampoa." The avidity with which land in the vicinity is being bought up shows that the Chinese are going to try and make it there. A group of influential Chinese are interesting themselves in the project, and we have good reason to believe that they are receiving every encouragement from the Chinese Authorities. It should not be forgotten that the latter view the existing Kowloon frontier arrangement as a serious handicap to the effective safeguarding of the Kwangtung revenue. They have never ceased to resent the action of the British Government in taking over the whole of the waters of Deep Bay and Mirs Bay, and they regard the Hongkong Government as the protector of the local smuggling activities which, they believe, are a source of considerable loss to the Customs Revenue. They are apt, therefore, from the Viceroy downwards, to view this Colony with no friendly eye, and the prospect of drawing away our trade, or any part of it, to their own shores is one which can hardly fail to appeal to them most powerfully.

The group of influential Chinese already referred to appear to be led by the man who is the guiding spirit of the Swatow to Chou-chou-fu railway, at present in course of construction. A similar scheme for a Chinese subscribed and Japanese built railway from Canton to Whampoa has been under consideration for some time past. Hitherto all purely Chinese railway proposals, private or official, have come to nothing, and it would have been safe formerly to assume an attitude of indifference towards news of the kind. Latterly, however, the position has changed. The appearance on the scene of the Japanese engineer working in combination with the Chinese capitalist has created an entirely new set of circumstances. As you are doubtless aware, the capital to build the line from Swatow to Chou-chou-fu has been mainly subscribed by Chinese in the Straits and in Java. Japanese engineers are constructing the line, and we understand that some 200 Japanese, all told, are employed upon it in various capacities.

The experiment is being watched with the keenest interest by the Chinese, and it appears probable that in the event of success there will be a powerful demand from the more enlightened and wealthier classes all over the Empire to be allowed to build under like conditions their own railways wherever required. On the success or failure of this little enterprise would seem to depend the future course of the development of railway building in China. In the event of success, we may expect to see increased opposition offered both by officials and people to any future schemes for building railways with foreign capital.

In view of this, the importance of pressing ahead with whatever preliminaries are still necessary to prepare the way for the loan required to build the Kowloon-Canton line, in order to have it ready for flotation at a favourable moment, has become increasingly apparent. Hence our constant representations on this subject. Our idea was, and is, that if the B. & C. Corporation could get in first with their line to Canton, the idea of starting an opposition port would receive considerable discouragement, and the movement on foot, as described, would suffer a severe check. On the head of this came positive information that the Americans were attempting to obtain a concession for an open port to serve as a sea terminus to their Hankow to Canton line. From the foregoing it might appear that they would be likely to encounter Chinese opposition, and possibly they may. At the same time it is equally open to anyone to surmise that they may find it convenient to join forces with the Chinese on some mutually advantageous business basis. Our information from one source colours this theory. From another we hear that the America China Development Co. are trying to get the concession clear for themselves under a clause in their original agreement providing for access to the sea. There would seem to be

two groups of Americans at work, but there is some doubt about this. There is, however, no doubt at all about the truth of the statement made in our telegram of the 31st:—

"Americans endeavouring to arrange for deep-water port near Whampoa as terminus Canton-Hankow line."

If there had been any doubt about the matter our message would have been couched in different terms. Often it is not possible to obtain precise information when it may nevertheless be advisable to utter a warning note, and in cases of this kind we shall always take the precaution of using guarded language calculated to make clear to you the uncertain nature of our information. In this case there was no doubt, and we therefore telegraphed a plain statement of fact. When we adopt this course we trust that you will give us credit for having something more to go on than mere rumour.

As regards the railway negotiations in progress at Peking, we trust that the B. & C. Corporation will not fail to take into consideration the danger to this Colony arising out of delay:—I am, Dear Sir,

Yours faithfully,

M. STEWART,

Hon. Secretary.

PS.—When I described the proposal to make the terminus of the Canton-Hankow line "at Whampoa," I, of course, meant "at a point on the left bank of the river, opposite Whampoa." A proposal to carry the line across from the left bank to the island of Whampoa would be absurd on the face of it.

Regarding the anchorage possibilities of the proposed new port, I wrote on the 3rd that "nearer though not at Whampoa, there is fair depth of water in places." It would have been more broadly true to say that both at and near Whampoa there is very considerable depth of water in places—often as much as forty feet, I am told on good authority. In this respect the proposal offers no difficulty. The difficulty is to get there. At present, as you are very well aware, there is a barrier below Whampoa, one of three monuments of Chinese fatuity, at present blocking the river. The other two are in the back reach, as you also know very well. That which crossed the river just below Whampoa is already under process of demolition. That gone, there is again the difficulty presented by the "second bar." With the proposal to dredge a channel through this I dealt last week. In addition to these obstacles, I am well aware that the crossing east and north of Lintin Island will always require very skilful navigation to negotiate in a ship drawing 26 feet, but with careful piloting it can be done, and that being so, Whampoa has only to offer sufficient inducement and it will be done.

The Viceroy was recently interviewed on these questions. He denied that the Americans were moving in the matter. But he also denied that the Hankow-Canton Agreement conferred upon them a right to bring their line to the sea. This appears to indicate that he had heard of their aim and claim, and, moreover, had exercised his mind upon it.

But whether by Chinese or Americans, or by both combined, the setting-up of a rival port would be a very serious matter for Hongkong, and it behoves us to leave no stone unturned in the endeavour to discourage the growth of the idea.

I am, Dear Sir, Yours faithfully,

M. STEWART,

Hon. Secretary.

Joseph Welch, Esq.,

Hon. Sec., China Association, London.

The following replies were made:—

19th May, 1905.

SIR,—At meeting of the General Committee held on the 16th instant, your letter of the 3rd April was read, in which you confirm your telegram of March 21st, and urge the necessity for hastening the construction of the Kowloon-Canton Railway.

The Chairman remarked that in negotiations with the Chinese delay is unavoidable, and pointed out that no one would be more hurt by the delay than the British and Chinese Corporation themselves. The agent of the Corporation at Peking is now, with the assistance of the British Minister, pressing for the assent of the Chinese Government to the agreement already

arrived at between the Corporation and the British Colonial Office.

Yours faithfully,

JOSEPH WELCH,

Hon. Secretary.

26th May,

Dear sir,—I have the pleasure to acknowledge the receipt of your letter of 21st April, referring particularly to the American application for a deep-water harbour near Whampoa, to serve, eventually, as the terminus of the Hankow-Canton Railway, and to the fears entertained that the establishment of the proposed port would seriously affect Hongkong.

The information given in your letter appeared to be so important that on the 23rd instant I called at the Foreign Office with a copy of it, which I left in their possession. They are in accord with your views that "if the British and Chinese Corporation could get in first with their line to Canton, the idea of starting an opposition port would receive considerable discouragement." On the day previous to my call the British and Chinese Corporation had made representations about the delay at Peking to the signature of the final agreement provided for by the understanding with the Colonial Government, and I understand that the Foreign Office are telegraphing to Sir Ernest Satow to press the matter forward, though they do not yet feel to be in a position to accuse the Chinese Government of delay.

can say with confidence that the B. & C. Corporation are doing their utmost to get the agreement signed, and are most anxious for the construction of the railway to be commenced. Their agent has been in Peking for some weeks endeavouring to get the agreement discussed and signed, but the matter has been put off from time to time on one plea or another. It is hoped that the telegram to Sir E. Satow will hasten the decision.

No difficulty is anticipated in raising the loan required to build the line.—Yours faithfully,

JOSEPH WELCH,

Hon. Secretary

HONGKONG SANITARY BOARD.

A special meeting of the Sanitary Board was held on May 12th at the Board Room. The Hon. Dr. F. Clark (president) presided, and there were also present—Hon. Mr. W. Chatham, Dr. Macfarlane, Mr. Lau Chu-pak, Mr. Fung Wa-chun and Mr. G. A. Woodcock (secretary). The meeting was called to consider the advisability of closing a block of three houses known as Nos. 94, 96, and 98 Reclamation Street, Mongkok.

The PRESIDENT—This is a purely formal matter, gentlemen. Dr. Macfarlane has reported that in three houses, in an isolated block at Mongkok, several cases of plague have occurred, one in each. He has submitted a certificate to the effect that they are unfit for human habitation, rat infected, and that a case of plague has occurred in each. The Ordinance gives the Board power to close any houses certified to be unfit for habitation until such time as they were rendered fit for occupation in the opinion of the Board. I may mention that the Board have rented a block of houses in the vicinity, where the people can be transferred at their own option, so that there can not be a suggestion of their being turned adrift and homeless. I beg to move that the recommendation be adopted.

Mr. LAU CHU-PAK—Are these new houses

Dr. MACFARLANE—Practically new houses, about four or five years old, but they are not under the new Ordinance.

Mr. LAU CHU-PAK seconded the motion, which was carried unanimously.

A Peking telegram to the *Nanfengpao* states that the Waiwupu has been informed by the British Minister that the Dalai Lama has gone to Mongolia from Hsiningfu in Kansu with the object of inciting the Miaotse rebels to combine with the Tibetan savages and start a revolt. The Miaotse are becoming restless and the Waiwupu is requested to ask the Throne to proclaim by decree the guilt of the Dalai Lama and to appoint another Lama in his place.

TRAGIC DEATH OF A FOREIGN POLICEMAN.

As playgoers were leaving the City Hall on May 12th, the body of Constable Aaron Williams was discovered in Wardley Street, with blood trickling from a wound on the head. A few moments previously he was observed keeping order as the crowd were leaving the hall, and it is surmised that after this he went and sat on the sill of an open window to get a breath of fresh air. While in this position he leaned back, or probably his heart failed, for he fell backwards out of the window to the ground, a distance of between twelve and fifteen feet, and fractured his skull. An ambulance was sent for and when it arrived, and the coolies were preparing to lift the body into it, a foreigner addressed a European sergeant who appeared to be in charge.

"Aint he a policeman?"

"Yes," said the officer, in the tone of one who says "hush" by a sick-bed.

"A white man?" persisted the foreigner, his voice rising.

"Yes," was the still quiet reply.

"Then show some respect," the bystander burst forth; "don't let the — coolies lift him."

The gentleman whose respect for respectful treatment was so peculiarly strong that he leaned against a lamp-post, straw-hat slanted backwards, cigarette in mouth and hands in breeches pockets, and thought nothing of nagging in the very teeth of tragedy, must have felt shame afterwards, if he reflected at all upon the self-restraint of the European officer whom he had thus bullied.

Deceased joined the Hongkong Police Force in September, 1902. Prior to that he was in the Welsh Fusiliers, and marched with that regiment to the relief of the Legations at Peking, afterwards receiving the medal and bar. He was also a Freemason, being a member of the Naval and Military Lodge.

THE HEALTH OF THE COLONY.

We make a few extracts from the general report of the Principal Civil Medical Officer and the Medical Officer of Health. At the outset it is explained that the Sanitary Board's jurisdiction extends to the Island of Hongkong, which has an area of 29 square miles, and to that portion of territory of the mainland between the shore and the first range of the Kowloon Hills extending from the village of Tseung Kwan O in Junk Bay, on the East, to the village of Lau Pa Hang on the West—with a sea frontage of about thirteen miles and an area of about sixteen square miles.

The domestic buildings of the City of Victoria number 9,537 exclusive of barracks and police stations, of which some 966 are non-Chinese dwellings, while there are also some 154 European dwellings in the Hill District. The number of new houses completed during the year was as follows:—City of Victoria 182, Kowloon 44, Outlying districts 33, and Peak 1, making a total of 260.

In addition to the above there were erected miscellaneous buildings such as offices, godowns, etc., to the number of 30.

In the Kan U Fong area of Victoria there were cleared away 37 old buildings, and 3 other houses in different parts of the City were vacated with a view to being cleared away shortly.

GENERAL SANITARY CONDITION.

The effect of the present law in providing increased window area for houses is very marked as far as the appearance of housey from the streets is concerned. Unfortunately in existing buildings there is the old difficulty of not being able to sub-divide the floor into separately lighted apartments. Under the former law (anterior to 1894) there were built many houses with very small window area. During 1905 2512 houses had their windows enlarged to comply with the present Ordinance. Open spaces in the rear have been provided to 147 houses.

The resumption of property by the Government to the extent of 18,092 square feet during the year under review, has greatly improved the Kan U Fong area.

A considerable improvement is always taking place in the matter of scavenging lanes, but the full effect of the Ordinance in this respect will not be noticeable for a considerable number of years. Nevertheless the total length of lanes obtained for scavenging purposes during the year has been 18,977, feet.

As the re-building of a house necessitates the sacrifice of ground to be devoted to open space, owners will of course always prefer to patch the existing houses rather than re-build. However, 48 old houses have been pulled down and re-built during the year.

During the year three wells the water of which was unsatisfactory were closed by order of the Sanitary Board.

The following is the estimated population to the middle of 1905:—

Non-Chinese Civil Community... 10,452

Chinese:—

City of Victoria including the Peak

and Stonecutter's Island... 184,950

Villages of Hongkong ... 16,296

Old Kowloon ... 73,478

New Kowloon (approximate) ... 21,010

Floating population ... 54,154

Total Chinese population ... 359,873

Army, (average strength) ... 4,274

Navy, (average strength) ... 3,251

Total population of the Colony ... 377,850

The average strength of troops in Garrison during 1905 was 127 British Officers and 1,629 British N.C.O's. and men with 28 Indian Officers and 1,995 Indian N.C.O's. and men, and 69 men of the Chinese Royal Engineers. There were also 342 British women and children, and 74 Indian women and children, making a total of 416.

The average strength of the British fleet was as follows:—Europeans permanently in the Colony 285, Europeans temporarily in the Colony 2,734, Chinese permanently in the Colony 153, Chinese temporarily in the Colony 83—making a total of 3,251.

The Chinese boat population (exclusive of the New Territory) is estimated for 1905 as 54,154 and the number of registered boats belonging to the Port for the year is as follows:—

Fishing and Trading Junks ... 6,771
Cargo Boats, Lighters and Sampans 5,171
The registered fishing boats belonging to the New Territory were distributed as follows:—

Registered at Cheung Chau ... 1,867
" Tai O ... 900
" Tai Po ... 1,949
" Deep Bay ... 1,435
" Sai Kung ... 669
" Long Kit ... 952

Total ... 7,772

The population of the Colony is primarily divided into Chinese and non-Chinese. The non-Chinese comprise a white population of 10,835, of whom 5,722 are civilians, while 5,113 belong to the Navy and Army. The coloured races (non-Chinese) number 6,837 and include East Indians, Asiatic Portuguese, Japanese, Philipinos, Malays, Africans, Persians and a few others.

The civil population is essentially a male adult one. At the last census (1901) the population of males was 72.6 per cent. of the total civil population.

Of the Chinese population 72.9 per cent. were males, and over half the civil population (50.2 per cent. of the Chinese and 56.4 per cent. of the non-Chinese) were between the ages of 20 and 45 years.

The City of Victoria is divided into ten health districts with a Sanitary Inspector in charge of each district. These ten districts are grouped into five larger districts of two each and a Senior Inspector has general supervision and control of the Sanitary work in each of such groups.

Kowloon has one Senior Inspector with two district Inspectors under his supervision.

The general birth-rate was 3.41 per 1,000 as compared with 3.3 per 1,000 in 1901 and 3.2 per 1,000 in 1903. The birth-rate amongst the Non-Chinese community was 17.03 per 1,000 as compared with 13.9 per 1,000 in 1901 and 15.2 per 1,000 in 1903.

The nationalities of the Non-Chinese parents are as follows:—British 120, Indian 46, Ger-

man 13, French 3, American 4, Portuguese 77, Philippino 10, Malay 8, Japanese 5, Jewish 5, Dutch 2, Arabian 2, Spanish, Roumanian, Italian, Brazilian and Eurasian 1 each.

The number of Chinese births registered does not give an accurate record of the number of births which have occurred. Owing to the custom of the Chinese in not registering births unless the child has survived for a month and often in the case of female children not at all, it is probable that the majority if not all of the infants which are sickly at birth or die before they have lived one month have not had their births registered. It is customary, therefore, to assume that all children of 1 month old and under who die in the various convents (being brought there sick by poor people) and all children found dead in the streets harbour, hillsides, etc., by the police, have been born in the Colony but not registered. By adding the number of such children to the number of the registered births a corrected number of births is obtained and from this is calculated a corrected birth-rate.

The number of such children in 1905 was 282 males and 458 females, total 740, which being added to the registered births equals 1,728. The corrected birth-rate is therefore 4.7 while amongst the Chinese community alone the rate becomes 4.79 instead of 2.7.

The preponderance of male over female registered births is very marked amongst the Chinese, there being 216 males to 100 females. Even with 740 above-mentioned unregistered births the proportion is 124 males to 100 females. This suggests that even the corrected birth-rate may not be altogether trustworthy.

In the Non-Chinese community the proportion of male births to female births for 1905 is 103 to 100 as compared with 83 males to 100 females in 1905 and 111 males to 100 females in 1903 and 1902.

DEATHS.

The deaths registered during the year numbered 6,594. The death-rate was 17.45 as compared with 16.94 in 1904. Those deaths include 287 from plague.

The total number of deaths amongst the Chinese community was 2,292, which gives a death-rate of 17.46 per 1,000 as compared with 17.18 in 1904.

The deaths registered amongst the non-Chinese community numbered 305, of which 251 were from the Civil population, 30 from the army and 15 from the navy.

This gives a death-rate for the non-Chinese community of 17.08.

The nationalities of the deceased were as follows:—British 89, Indian 77, Portuguese 56, German 16, Japanese 16, American 11, Malay 6, French 6, Philippino 4, Italian 3, Swedish 3, Swiss, Jewish and Austrian 2 each; Irish, Dutch, Austrian, New-Zealander, Norwegian, Persian, Arabian, Danish, Turkish, Eurasian 1 each, and of unknown nationality 2.

"INDENTURED LABOUR CLOSE TO SLAVERY."

Under the heading of Emigration (Chinese Emigration Ordinance, No. 1 of 1889), the Government Gazette contains the following notes:—

Out of 11,231 persons examined by the Registrar General before embarkation, 78 or 0.69 per cent. were detained for enquiries, as against 135 or 1.2 per cent. in 1904. Of these, 27 or 34 per cent. were ultimately allowed to leave without any order being made, as against 55 per cent. in 1904. A return is inserted in this Report showing the occupations of female emigrants. Servant or seamstress is the usual occupation given by single women. Only two described themselves as miners, but I understand many more go in gangs to get work in the tin mines. Over 97 per cent. of the emigrants proceed to the Straits Settlements. The present state of the law relating to third class adult male Chinese passengers is held by many parties concerned to be susceptible of amendment. Considering the volume of the emigration and the benefits that occur to the Straits Settlements and to the Canton Province one recalls how it has been said that, "It is the nature of all greatness not to be exact; and great trade will always be attended with considerable abuses. he contraband will always keep pace in some

measure with the fair trade. It should stand as a fundamental maxim, that no vulgar precaution ought to be employed in the cure of evils which are closely connected with the cause of our prosperity". On the other hand the importance of maintaining Hongkong in good report among the Chinese must not be under-rated. Chinese public opinion would approve almost any precaution taken to prevent kidnapping, and I am constantly being urged to recommend more stringent regulations. Whatever the labourers themselves may think about it there is no doubt that audible public opinion in China regards indentured labour as very close to slavery, and has not forgotten the horrors of the coolie trade to Peru. The time spent in examination of emigrants was about 103 hours. The bye-laws relating to Emigration House were revised during the year (see Government Notifications Nos. 341 and 441 of 1905). During the year 52 hotel-licences and 24 licences for emigration houses for males were issued. At the end of the year there were 49 hotels and 18 emigration houses licensed, as against 48 hotels and 14 emigration houses at the close of 1904. The 49 hotels may legally accommodate 3,385 persons and they employ 770 servants. The 18 emigration houses may legally accommodate 322 persons, but as they employ 72 servants the number of emigrants who can be accommodated at one time is only 250. But this is an improvement on 1904 when there was accommodation for not more than 175 emigrants.

LOCAL ADMINISTRATION.

GOVERNMENT COMMISSION APPOINTED.

As we announced a few days ago, the Government have appointed a commission to inquire into the administration of the Sanitary and Building Regulations. Official notification is made in the Gazette, the preamble reading "Whereas it is expedient that a Commission be appointed to enquire into and report on the following matters, viz:—(1.) Whether the administration of the Sanitary and Building Regulations enacted by the Public Health and Buildings Ordinance, 1903, as now carried out is satisfactory, and if not, what improvements can be made. (2.) Whether any irregularity or corruption exists or has existed among the officials charged with the administration of the aforesaid Regulations."

The Governor, in virtue of the powers vested in him by the Ordinance of 1886, appoints—The Honourable Mr. Henry Edward Pollock, K.C., The Honourable Mr. Edbert Ansger Hewett, Esq., Fung Wa-chun, Esq., Lau Chiu-pak, Esq., Henry Humphreys, Esq., and Augustus Shelton Hooper, Esq., to be a commission for the purpose of instituting, making, and conducting such enquiry, and appoints Mr. H. E. Pollock to be Chairman and Mr. C. F. W. Bowen-Rowlands to be Secretary of such Commission. For all or any of the purposes of the Commission four members inclusive of the chairman to constitute a quorum.

The commission by His Excellency proceeds:—
"And I do further hereby order and direct that the said Commission shall, for the purpose of making the said enquiry, have all such powers as are vested in the Supreme Court of this Colony or in any Judge thereof on the occasion of any suit or action in respect of the following matters, viz:—

- (a.) The enforcing the attendance of witnesses and examining them on oath, affirmation or otherwise, as the Commissioners or any of them may think fit.
- (b.) The compelling the production of documents.
- (c.) The punishing persons guilty of contempt.
- (d.) The ordering an inspection of any property.

"And also the power, for the purposes of this Commission, to enter and view any premises."

"And I do hereby further direct that every examination of witnesses shall be held in private, and I do further direct that any person examined as a witness in the enquiry aforesaid who in the opinion of the Commissioners makes a full and true disclosure touching all the matters in respect of which he is examined shall receive a certificate under the hand of the Chairman or presiding Member of the

Commission, countersigned by the Secretary, stating that the witness has upon his examination made a full and true disclosure as aforesaid, as provided by Section 4 of the before mentioned Ordinance; and I do further require you to report to me the evidence and your opinion thereon, and I hereby charge all persons in the Public Service to assist you herein."

PLACING BODIES IN THE STREET.

The Registrar General, in his report for the year 1905, comments on the practice of placing bodies in the streets, particularly those of infants, which had become such a public scandal that Mr. Fung Wa-chun and Mr. Lau Chiu-pak had consulted him as to what steps should be taken to stop it. The growth of the practice, he adds, is due to dread of the consequences of death having resulted from plague, and it was decided to try what could be done to lessen this fear. Application was made for permission for the Tung Wah Hospital to open offices in various parts of the town and to have in attendance a licentiate of the Chinese College of Medicine and an interpreter; sick persons would then have their complaint diagnosed by a competent doctor, and in case of infectious diseases (where the removal of the patient and the disinfection of the premises were necessary) the relatives would have the assistance of an interpreter to tell them exactly what was to be done and interpret their wishes. Permission was obtained also for the removal of dead infants to the offices and a reward of a dollar is offered in each case. Two offices are now open, the one at No. 42, First Street and the other at No. 205, Queen's Road East. Ambulances are provided and coolies, for the removal of sick persons to hospital. The wildest rumours travel quickly enough among the Chinese, but although every endeavour was made to give publicity to the opening of these offices, I have had frequent proof that much more requires to be done. I do not anticipate that the objects and benefits of the scheme will become fully known for another two or three years, and feel that the progress so far made is satisfactory.

HONGKONG REVENUE AND EXPENDITURE.

The following summary is from the Registrar-General's report for 1905:—

The revenue collected during the year amounted to \$172,947.89, being an increase of \$5,864 over the amount collected in 1904. The principal increases are again under the heads—Hawkers, Markets and Market Licences. The number of Hawkers' Licences increased by 1,014, from 12,768 in 1904 to 13,782 in 1905. From enquiries made in the Central and Eastern Districts of the town I find that vegetables are sold by hawkers cheaper than they are in the Government Markets, and the hawkers are obviously of great service to the poorer classes. They do the same class of business as costermongers in London, and the following extract from an article in the Times on the report of the London Traffic Commission may be of interest:—"The standing of the costermongers' barrows and stalls in many important thoroughfares is also pointed to as a serious obstruction; but this class of business is of such service to the poorer classes that it should not lightly or hastily be suppressed. The Advisory Board think that other sites could be selected, very much as is done in the little market-places of many English country towns and usually on the Continent, and the barrows and stalls banished from the main streets." The increase of \$3,914 in the revenue from the lease of Market premises is again distributed fairly evenly between the markets in Victoria, with the exception of the Des Vaux Road Market, and is a natural and unavoidable increase. In the villages, an increase in the rentals in the Hunghom Market is evidence of the growth of population in the neighbourhood. The rents of the other markets show no material change. Licences for the sale of food outside the market are issued by the Sanitary Board and account for an increase of \$520. The laundries at Wanobai which are let by the same Department produce an increased revenue of \$425. In March the rents were

raised from \$10 a house to \$15. There is a further decrease of \$825 under the head of Certificates to Chinese entering Manila and the U.S.A. The issue of these certificates has been suspended for some time. The revenue from Marriages—an uncertain item—has again fallen. The total expenditure during the year was \$31,761.32 compared with \$31,339.71 in 1904. The actual expenditure fell short of the estimate by \$4,417.68, of which \$3,800 comes under the head of Exchange Compensation.

COMPANIES.

HONGKONG ELECTRIC CO., LTD.

The seventeenth ordinary yearly meeting of shareholders in the Hongkong Electric Co., Ltd., was held at the Company's offices, St. George's Building, at noon on May 12th. Mr. A. G. Wood presided, and there were also present—Sir Paul Chater, Hon. Mr. C. W. Dickson, Mr. G. H. Medhurst (directors), Mr. W. H. Wickham (Secretary), Messrs. H. J. Gedge, G. Curry, Owen Hughes, H. Percy Smith, A. O. Baptista, Dr. Noble and Captain Clarke.

The secretary read the notice convening the meeting, and—

The CHAIRMAN said—Gentlemen,—The report and accounts having been in your hands for some days, I propose, with your permission, to take them as read. As you are aware, these accounts cover only 10 months; the close of our financial year having been made on the 28th February, as was agreed to at our last meeting, the accounts for the present year will be for the full twelve months. In submitting these accounts the directors have pleasure in recording the continued expansion of our business; our supply services being now equal to 39,500 lamps of 8 candle-power, 85 arc lamps, and 20 lifts, against 34,500 lamps, 85 arc-lamps, and 15 lifts at the date of our last report. The new chimney has been completed, a shed at the works constructed, and the new main cables have been laid, and will shortly be doing their work. A considerable portion of the cost of the additions to plant and buildings is included in the present accounts, and it has been met by the call made on the 1st December last. Amongst other items in the accounts to which I may refer is the item of coal, its increased cost forming a considerable item in our expenditure, and this is causing us to seek for more economical means of working, as I will explain later on. Sundry debtors showing an amount of a little over \$80,000 has since been reduced by \$61,000 collected up to date. The balance of profit shown to be available for distribution after deduction of \$2,500 for directors' fees (the proportion for 10 months) is \$100,744.69, and the directors propose the following:—To pay \$1 per share on the 30,000 original fully paid shares and 65 cents per share on the part paid shares, made up as follows—50 cents per share for the 10 months, and 15 cents for the 3 months from 1st December last, when the call was made payable. These shares will now rank in all respects the same as the original fully paid shares. We propose further to write \$42,392.48 off plant account and \$6,329.97 off property account (our first writing off on this account) for depreciation on both accounts and to carry forward \$2,568.44 to next account. In declaring this dividend, which is at the rate of 12 per cent. per annum, the directors, while they are very pleased that the good earnings for the 10 months have rendered this possible, have to point out that it must be considered an exceptional thing, being done to equalize our dividend with that of the past two years, and that a larger dividend than 10 per cent., \$1 per share, should not be looked for on this year's working, unless indeed our earnings are sufficiently good to warrant a larger one. The amounts written off for depreciation are in pursuance of the policy which has been steadily pursued, and as it has proved so advantageous, I trust it will have your concurrence. The evidence of this is displayed in what I have now to say. For some time past the directors have had to consider the questions of the sufficiency of our plant, and of the space available at the works to meet the growing requirements of our business, and of the increase in the cost of coal. They have there-

fore been making enquiries about new kinds of machinery which are, according to information we have, giving satisfactory results, as regards their efficiency, economy in working, and in the space occupied. Their adoption bids fair to render our present site large enough for our requirements for so far ahead as can be seen, and after allowing for the necessary outlay we estimate that there will be a sufficient reduction in the cost of the increase in production we shall be able to effect, that we shall be in a position to make a sensible reduction in the cost of the light and power supplied to our customers.

The extension of our business, which, as you will have no doubt been pleased to observe, has been so continuous, requires us to take all the advantage we can of the rapid improvements in the kinds of machinery we have to do with, and we are in a favourable position for this, through the policy you have wisely allowed us to follow of writing off the amounts for depreciation which have appeared in our annual accounts. I am not now able to lay any definite scheme before you, but the directors hope during the year to call a special meeting of shareholders, when they will propose an increase of capital, and explain the purposes for which it is required. If any shareholder wishes to ask any questions I shall be pleased to answer.

There were no questions, and the CHAIRMAN proposed that the report and accounts as presented be adopted and passed.

Dr. NOBLE seconded, and the proposition was agreed to.

On the motion of Captain CLARKE, seconded by Mr. PARRY SMITH, the Hon. Sir C. P. Chater and Hon. Mr. C. W. Dickson were re-elected to the Board of Directors.

Messrs. C. W. May and W. H. Potts were re-appointed auditors on the motion of Mr. CURRY, seconded by Mr. HUGHES.

The CHAIRMAN: That concludes the business, gentlemen. Dividend warrants will be ready on application on Monday.

Dr. NOBLE proposed a vote of thanks to the Chairman and directors for their efficient services during the year, and the meeting ended.

A. S. WATSON & CO., LTD.

The 21st annual ordinary general meeting of shareholders of this company was held at the offices in Alexandra Buildings on May 12th—Mr. H. Humphreys presiding. There were also present Sir Paul Chater, Messrs. J. Scott Harston, H. P. White, J. A. Jupp, Douglas Clark and Captain Clarke with Mr. J. A. Tarrant, secretary.

The secretary having read the notice convening the meeting—

The CHAIRMAN said—Gentlemen,—The report and statement of account having been in your hands some days, I will, with your permission, take them as read. The year's working has been satisfactory on the whole. The continued high rate of exchange has no doubt benefited us to some extent, but on the other hand business both here and at the branches was depressed and dull during the last six months of the year. You will notice on looking at the accounts that the ice factory, Amoy, is now included under the heading of Aerated Water and other Machinery and Plant, the reason being that we found it necessary, in order to ensure greater economy and efficiency in working, to remove the ice plant to a building under the same roof as the Amoy Soda Water Factory. The steam launch *Dakin* no longer appears in accounts, having been sold during the year at a profit on her book value. As compared with last year local and general liabilities show a diminution of \$25,160.35, and bills payable an increase of \$20,566.76, or a net reduction in our liabilities of \$5,593.59. On the other hand our assets in the form of live stocks show a reduction of \$24,997.83, whilst dead stocks are \$20,954.67 higher. The increase in the latter item has been brought about principally by improvements to buildings in the Company's occupation in Hongkong and elsewhere; installation of new and larger plant in the aerated water factory connected with Macarish and Lehmann's business in Shanghai; by the purchase of new plant for our Hankow factory by further payments in final settlement of

contracts for new fittings in the Hongkong Dispensary; and by cost of installation of electric light, plant and fittings, and other additions to our aerated water factory in Hongkong. We trust the disposition of the profits meets with your approval; the amount under the heading of dead stock, i.e., machinery, furniture and fittings, having now assumed large proportions, you will readily see the necessity of proper provision being made for depreciation; and we have therefore, following our usual policy, proposed to set aside \$25,000 out of the profits for this purpose. Before moving the adoption of the report and accounts I should be pleased to answer any questions thereon shareholders may have to ask.

There being no questions—

The CHAIRMAN moved the adoption of the report.

Captain CLARKE—I have much pleasure in seconding. At the same time I think the shareholders should feel great satisfaction at the report, and I have great pleasure in expressing our thanks to the general managers for their careful supervision of so many departments and also to the staff generally for their conscientious work (applause). Agreed to.

On the motion of the CHAIRMAN, seconded by Mr. D. CLARK, the confirmation of the appointment of Mr. J. Scott Harston to the directorate was carried.

Mr. JUPP proposed the re-election of Messrs F. Maitland and W. H. Potts as auditors, Capt. CLARKE seconded, and the motion was carried.

The CHAIRMAN—That is all the business, gentlemen. Dividend warrants will be ready in Monday. Thank you for your attendance.

THE HONGKONG HOUSING QUESTION.

The announcement made in our columns (H.D.P. May 10) that another resumption of property in insanitary areas had been carried out must revive interest in the question of the housing of the people. When we learn that several hundreds have been deprived of their miserable dwellings, it is natural to inquire where these people are being accommodated. The probability is that they have gone to still further overcrowd some densely-populated area, and the difficulty of housing the people seems to have been added to rather than diminished by this method of attempting a solution. Some time ago two special articles appeared in our columns emphasising the failure of the Public Health Ordinance of 1903 and suggesting that the Government should take some further steps in the matter, only on different lines, and as the question is bound to crop up from time to time, we have thought it well to obtain the views of certain representative gentlemen on the subject.

Mr. Lau Chu-pak, who has recently ventilated a view of the grievances and difficulties under which the Chinese live in Hongkong, was seen by our representative, who found that gentleman willing to discuss the problem. At the outset he referred to the fact that the hope of the Government in imposing a condition on the Tramway Company to run workmen's cars in order to take people from their work in the city to live in the outskirts had not been realised. The explanation was that the rents in those places were as high and sometimes higher than in the centre of the residential area. For instance, the rent of a flat or room, say, in the neighbourhood of Aberdeen Street or Hollywood Road, was \$15 to \$25 a month, and a similar average, or perhaps higher, was charged in the neighbourhood of Chek-tsun or Kennedytown, where property has recently become more valuable, and this for accommodation that is no better and has the disadvantage of being further from the scene of daily toil and from the attractions of city life. Thus, though a certain area benefited by a resumption, the housing of the people, generally speaking, was not improved.

Are there no other suggestions for remedying this evil?

There have been several, but they have been abandoned on account of the great cost which they would entail. There was one scheme put forward for demolishing every third block of houses in the congested areas, so as to make those adjacent more like dwelling houses, with

greater external air and more window space, but that, of course, raised the question of compensation.

The adjacent property owners, whose property would be enhanced in value thereby, would surely be asked to contribute to that compensation?

Yes. That is where the difficulty is. By the new Ordinance those properties can only accommodate eight on a floor instead of fourteen or fifteen as before, and the buildings not having the same letting capacity as previously would not yield an adequate return for this additional outlay.

But better houses should produce higher rents?

Yes, ordinarily, but among the Chinese it is impossible. The cost of living has increased very much within recent years, and rent absorbs such an inordinate proportion of their wages that they cannot afford to pay more.

I see. But don't you think it possible to build cheaper houses than at present?

No. Land is dearer, the price of materials and labour is higher, and to get a fair return for money invested it is impossible to erect houses for which a less rent of \$20 a month per flat could be charged. I will show you how it works. (Here Mr. Lau Chu-pak entered into calculations.) You cannot charge less than \$2 a month for a flat in a place nearer the town. That divided among the eight people usually inhabiting such a room is \$2½ per individual. That amount from the wages of a coolie earning about \$8 or \$9 a month is a serious item, and leaves very little on which to live. He really cannot afford to pay any more for rent.

Just so. It is admitted that the existing state of affairs is very unsatisfactory. What is being done to remedy it?

Nothing, so far as I know.

And can nothing be done?

Not unless the Government takes the matter in hand.

And build houses, you mean?

Yes?

Do you think they could do it as cheaply as private speculators?

Well, they would have no ground to buy.

But it would only be fair that the Government should put itself on the same footing as other speculators. Do you think they could build houses without incurring any monetary loss?

Undoubtedly they could. The Government might not receive the same amount of return on money expended as private speculators would expect, but there would be the gain of housing the people under sanitary conditions and removing the dangers to public health which exist at present. Moreover, the Government could carry out its own ideas more effectively than private builders. At present the Chinese builders suffer all sorts of harassments and hesitate to begin such undertakings.

Are the mass of people worse off here in respect of accommodation than, say, Canton?

Yes. In Canton there are practically no three-storied buildings, and families can rent a flat or whole house, which is better lighted and ventilated than those in Hongkong, for considerably less than what they pay here for a cubicle. As I said once before, the Chinese are not to blame for this style of building. It is not Chinese, and it would be interesting to know who introduced this style of architecture.

And so you think the only hope of remedying the existing evils is for the Government to take action?

Yes.

Such were Mr. Lau Chu-pak's views.

SECOND INTERVIEW.

In our previous interview, we gave the opinions of a Chinese publicist. Here we have the point of view of an English member of the Sanitary Board, who appreciates the position of the landlord.

Mr. Shelton Hooper, when waited upon by our reporter, expressed his opinion on the subject very freely.

The resumption of property, as indicated in the Daily Press yesterday, is not carried out simply because the people are overcrowded there but also because the houses are crowded together.

Because they are insanitary?

Yes. These houses were built years ago without any regard to sanitary requirements. Of course they had to comply with the law of that time. The land, it should be remembered, was sold by the Government on condition that it be laid out in conformity with the laws of the Colony. There was no Public Health or Buildings Ordinance then with such stringent regulations as to-day, consequently when people were invited to purchase land put up for sale by the Government they naturally made the most of their land. It was sold in the open market for as much as it would bring over and above the upset price, and in later years when the city is found to be overcrowded from a sanitary point of view the Government and the public generally are only too ready to blame the poor owners, forgetting that the owners are to-day paying the Government by way of premium and Crown rent for what they got, and the Government also derives the benefit from the extra rates assessed on the enhanced rentals.

About the property resumed?

The Government, in resuming such insanitary property, have only to pay the market value apart from certain illegal or undesirable conditions which enhance its value.

But in effecting such clearances, is the result not to overcrowd districts that are already densely populated? Is not that inevitable?

No. That would apply if there were not sufficient unoccupied tenements in the Colony to accommodate all those who have been displaced. Were there no houses to which these people could go there would certainly be great hardship entailed in carrying out the resumption of insanitary property. If the demand for houses were greater than the supply and the rents became abnormally inflated, of course the owners would benefit, but such is not the case to-day. I venture to say there are some hundreds of tenements in the Colony to-day ready to receive people displaced.

But apparently the displaced people don't take advantage of these vacant houses. What do you think is their objection to them?

The Chinese like to crowd together. It is "Olo custom". They object to remove from their old haunts. When the resumptions were contemplated, buildings were erected extensively in different parts of the city, but the houses are still empty.

And the Government hoped to get the people to move outwards from the city when they made it a condition that the Tramway Company should run workman's trams?

Yes, the Government hoped thereby to mitigate the overcrowding, but so far that has not resulted. The Government having been lax in enforcing the provisions of the Ordinance against overcrowding, the people have remained where they were. The attention of the Sanitary Board was called to the matter and the Authorities have since shown greater activity in enforcing these regulations.

And you think no hardship is created?

So far as I can see, no. They may suffer inconvenience by having to move outwards and walk a little to their work, but by being dispersed and going to live in those houses in the outlying districts it will cost them no more to live. Rents there are cheaper than in the central district, and it would be no inconvenience for them to walk a mile or half-a-mile. The British workman has to do it.

You suggest that the cost of tramway fares if they chose to ride, would be compensated by the reduced rents?

Yes; and if they chose to walk they would make money. Of course, this does not apply to Shaukiwan or other distant villages. That would be too far for them to walk to work. The further you get from the centre the cheaper the rents. When the regulations against overcrowding are enforced and the people cannot find accommodation, then will be the time to cry out, but at present Wanchai district is overbuilt. In anticipation of the overcrowding regulations being carried out owners have provided houses in the outlying districts.

Then, to sum up, you assert that no hardship results to the Chinese by these properties being resumed?

I do. There can be no hardship while there are hundreds of empty houses within easy access.

This ended the interview.

THIRD INTERVIEW.

Not the least important point of view from which to regard the housing question in Hongkong is undoubtedly that of the Chinese themselves, and we have been fortunate enough of learn something of that lay opinion in our third interview, which was with one whose general intelligence and education raises him above the average and at the same time enables him to speak with an intimate knowledge of how the people of the lower classes live in the colony.

What kind of people are to be found in flats accommodating eight persons?

Mostly coolies.

And if their share of the rent be only two and a half dollars per month each they are not so badly off, that is, if their earnings average \$9 or \$10 per month?

That is so.

Well, how do those who are ranked a little higher in the social scale fare—the clerks, managers of Chinese shops, salesmen, buyers, Chinese writers, and so on?

They may earn on an average about \$20 a month.

These people ought to be fairly comfortable then?

Not married people.

Oh. I see. What happens in their case?

Suppose a man have wife and two or three children. There being four or five persons they cannot live in a cubicle. The man have to take room in one flat, and at the most there can be only three rooms in one flat. The rent of the flat being \$20, he has to pay as his proportion \$6 to \$8 per month.

Just so.

He may have to pay \$3 to \$4 a month as wages for a maidservant or amah, while he also has to provide food for the family.

How much would that cost?

About \$4 to \$5 a head.

But I thought a Chinaman could live for about \$3 a month?

He could at one time, but cost of living has increased very much.

In these circumstances a married man earning \$20 and having to support a family should be insolvent?

Yes, many are in debt. Rents are, however, cheaper out at Wanchai and many people go there.

Then I suppose most of the married men find it cheaper to send their wives and families to the country, while they themselves rent a cubicle or rather so-called cubicle?

Many men do so; especially those employed in shops, as the masters find them lodgings, food, and even pay for the shaving of their heads. You can judge for yourself what is the cost of living. A schoolboy coming from the country to Hongkong to be educated is boarded in some house, and the charge is usually from \$7 to \$10 a month. If the charge is only \$7 the chow must be very poor.

Then on your showing a man earning \$20 a month cannot support a family?

No, except those who live in Kowloon or the extreme east and west of Hongkong. He cannot do so in the centre of the city.

Can you explain why it is that the centre of the city is overcrowded and yet houses are standing empty in the outskirts?

Chinese people do not like to go far away from their work. They like to be near it so as to go home and get tiffin made by wife.

But if rents are cheaper in the outskirts and Chinese can travel cheaply in workmen's trams why don't they leave the overcrowded places?

Workmen's trams only run at certain hours, Chinese workpeople, in shops, don't know when their masters will let them go.

Then the trams are not run at suitable hours?

No, they should run longer.

Is that the reason why the workmen's trams have not been the success they were anticipated to be?

Partly. But many people do not like to be classified as workmen.

I see, and these men would not patronise workmen's cars?

No.

Well, we can't have much sympathy for them.

Rents have become dearer all over.

Yes, but wages have also increased.

Not sufficiently to cover the increased cost of living. Even in the country, in fact all over China, living is dearer. Formerly a woman

could live in the country for about \$2 a month. She would now have to pay \$5.

Has the price of food gone up so high?

Yes. In former times one could get 40 or 50 catties of rice for a dollar; now one can only get 20 catties a dollar.

Have house rents increased in Canton?

No, only the cost of food. Most of the Chinese in the villages possess their own houses, but not in the cities.

In Hongkong I have noticed houses and shops in Des Voeux Road empty.

Yes. Business is very dull in Hongkong. Many shops in the central district are unoccupied. Previously a man would have to pay \$100, \$400, or perhaps \$1,000 as a cumshaw to get a house or shop in that district, but now there are many notices "Shop to let". Two or three years ago rent collectors generally made large profits, in the way of cumshaws, by letting out flats.

Although there are many houses standing empty the landlords will not accept the offer of lower rents. Why?

I don't know. That is their custom. Many people prefer to move to the villages rather than stay here and be troubled with the stringent sanitary regulations.

What about clerks earning \$40 a month?

Oh, they object to live in a so-called cubicle and generally send their wives to the country. Even coolies send their wives to the country and lodge in so-called cubicles.

[Considering the language difficulty, which was a bar to the free expression of ideas on both sides, this must be regarded as a very interesting interview. The reason that landlords prefer empty houses here and there to a general lowering of rents seems plain enough.—ED.]

CORRESPONDENCE.

COMPANY REPORTS IN HONGKONG.

TO THE EDITOR OF THE "DAILY PRESS."

Hongkong, 8th May.

SIR,—In the recent case of the Tramway Co. some of the remarks made by the Chief Justice must have been read by the average shareholder in local companies with more than ordinary interest, and possibly with some gratitude. In these remarks, although His Honour did not lay down any new rules of company law, he made it quite clear to shareholders in general that they are possessed of certain definite rights, from which neither a majority nor boards of directors, nor yet general managers, can oust them.

Speaking of the Tramway Company's case and the settlement come to with the dissentients, the latter receiving \$235 per share, it was stated that, under this arrangement, these shareholders did not receive any more value for their holdings than what they would have received under the resolutions. In other words, they did not improve their position by going to law. How this is arrived at, I do not know, for, in the one case, \$200 was all that the resolutions offered, while in the other, well, \$35 per share more is fairly substantial. I have spoken to some of the dissentients, in order to discover if they had made a mistake in their calculation, and they emphatically declare that all they understood was that they would be sold out neck and crop for \$200, and no more! However, as both sides to the issue are apparently satisfied with the result, there is no more to be said.

Another important remark made by the Chief Justice came very opportune at the time it did, in view of the annual reports being published by the various local companies then. The remark was to the effect that he did not see why honourable men of business, who had nothing to hide, should be sparing in their information to shareholders. Can it be that Sir Francis Piggott, even during the short period he has been in Hongkong, has already noticed the very meagre information contained in the annual reports and accounts? Be that as it may, it is an undeniable fact that shareholders here are vouchsafed scant information in the reports submitted to them—and, when it is also remembered that, in the majority of cases, it is but once a year that they can have an opportunity of looking into their affairs, it is certainly a matter of surprise that expressions of dissatisfaction are not more frequently heard

Occasionally, one sees some shareholder, more plucky than his fellow-shareholders, or, perhaps, financially more independent, makes bold to ask a question or two, when, more often than not, he is met with the rejoinder that the information he seeks is "not handy", or, "it would be detrimental to the interests of the company concerned to make such information public". Indeed, in some quarters, the asking of questions at public meetings is severely tabooed, and a shareholder often has to make up his mind that, to require information from the chair, he must run the gauntlet of severe looks, and would be treated as a hostile critic. This practice of tabooing criticism is without a doubt responsible for the cut-and-dried proceedings at local meetings, and it is a rule of general acceptance now that "silence" is strictly "à la mode".

As an instance, I would recall an incident which occurred at a recent meeting of a well known land and estate company. A certain shareholder asked for information respecting an item of commission, which the company had received, the reply to which, given with some heat, was that the enquirer ought to know very well what the commission was for, having paid it himself, and the matter thereupon was allowed to drop. It will be seen that the reply was intended only for the shareholder asking the question, while the rest of those present were allowed, or rather allowed themselves, to remain absolutely uninformed on the subject. And yet, not one of those, who so readily raised their hand where a show of hands was called for, could muster sufficient courage to probe the matter further. I do not, for one moment, wish it to be understood that there was anything out of the way with that item of commission. As a matter of fact, the company had earned it. I merely put it forward to show how far the fashion of silence prevails among the rank and file of shareholders at meetings.

Another remarkable instance of the prevailing dumbness occurred quite recently. It is in connection with the last published annual report of a leading industrial concern. The accounts showed total earnings for the year of nearly seventy-five per cent. on the capital, a result assuredly most gratifying to the company's shareholders. There was, however, one provision in the report which not only puzzled but frightened quite a number of the shareholders. It was, so far as is known, an unusual provision absorbing nearly two-thirds of the whole year's earnings, and was given the title of "a reserve fund". It was considered an unusual provision, because the company already had the usual reserve fund, and it had been generally anticipated that any surplus would be added to that same fund. Of course, the management may have had very good and sufficient reasons for the style of division it adopted. As is well known, however, shareholders all over the globe are an extremely sensitive class of people, and they are not an exception here. No sooner were the accounts published than all sorts of rumours were started regarding this provision of "a reserve fund". One rumour had it that half of the sum provided in that manner had already been lost, another, that it was all intact, while a third gave it out that it had all been lost. Whatever modicum of truth there may have been in these rumours, certain it is that by the time the meeting was drawing near, all interested were eager for information on that score. Yet, in spite of their eagerness and anxiety, not one of those who attended the meeting could find his tongue and inquire as to the truth or otherwise of the rumours, which had put so many in a panic. If this can happen with a gentleman in the chair well known for his courtesy and readiness to furnish all legitimate information, is it any wonder that in the generality of cases shareholders keep their mouths shut when, perhaps, they realise that a question might cost them a snub?

It is, therefore, earnestly to be hoped that in future those responsible for the publication of reports and accounts, with the advice of the Chief Justice before them, will put in these reports as much legitimate information as would keep shareholders well in touch with their interests, and would it be too much to ask those who occasionally occupy the chair to be a little more encouraging in their attitude towards questioners?—I am, etc.,

OBSERVER.

THE RISE OF CHINWANGTAO.

Mr. Thomas Ferguson, Acting Commissioner of Customs at Tientsin, reports of Chinwangtao:—Our "winter jetty" has been an interesting place to watch during the course of the past year and its season 1905-1906, which, for the sake of completeness, will be reviewed as a whole up to date of writing this Report. Many conflicting "bursts" and subsequent retractions from motives of immediate business expediency have had their periodically varying effects upon the outlook of the port, have nullified some expectations, raised others in unexpected quarters, and, generally, rendered every attempt at prognostication useless and risky. The flame which was to have set Chinwangtao going as a "house on fire"—migration—has dwindled down into a mere flicker of doubtful vitality; on the other hand, the port has most decidedly progressed, so that the Chinwangtao of to-day is quite a different place—though not so much altered in appearance—from what it was two years ago. If we wish to trace the real causes of this development, it is likely that the first impetus will be found in the Chinese Engineering and Mining Company's decision to extend the use of its wharves to shipping other than its own, and a prompt move on the part of the Customs administration (started by Mr. Commissioner Dering) to arrange all that was necessary, *vis-à-vis* the Central Government and the many Chinese officials concerned, for the introduction of a fiscal system which could be made to fit and accommodate on favourable lines any kind of trade which might spring up in consequence. Various new branches of trade did gradually spring up, and the new fiscal system duly found its field of application, as shown by the Revenue tables, where a collection of Hk. Tls. 290,000 is recorded for 1905, as against Hk. Tls. 46,000 in 1902. The shipping has not altered so much in quantity as in quality, i.e., a change from mere colliers and mail carriers, with a few desperate travellers, to regular cargo liners, with a steady stream of luxuriously accommodated passenger traffic. The past season has, however, revealed one thing, *vis-à-vis*, that Chinwangtao is not always an ice-free port. Owing to an unusually severe winter and the absence of strong northerly winds, which are to a great extent relied upon to clear the coast of drift ice, much trouble has been experienced by steamers in making the wharves, as much as two days having sometimes been spent in ramming the pucks and forcing a passage. Still, this has always been possible, and if it can be done by an ordinary coasting steamer, it seems that a small ice-breaker or good-sized tug fitted up with special protections for crumbling the ice under the forefoot can always make sure of keeping a passage open throughout the worst season likely to occur. The trade of Chinwangtao presents four quite distinct and characteristic features: (a) that of a mere coal outlet, which was the original conception of the port; (b) a winter jetty for Tientsin, originally for mails and gradually for cargo in steadily increasing quantities; (c) a distributor of imports on its own account in its own neighbourhood; and (d) a port of transshipment from steamer to railway and vice versa of extramural trade, i.e., trade passing by Shanhaiwan to and from any place in the direction of Newchwang and beyond. The first characteristic is rapidly losing in importance by comparison especially since the output of the Kaiping collieries does not show any tendency to increase. As a winter jetty for Tientsin, Chinwangtao is steadily gaining in popularity and importance, and the greater part of the statistics of the port is still due to this function, though no longer exclusively, as used to be the case a few years ago. In the third function, Chinwangtao is doing very well, and a local trade, concerning principally the larger towns in the neighbourhood (Yung-p'ing-fu, Lancho, Feng-jun, Ch'ang-li, Fu-ning, Shanhaiwan), has sprung up lately, which continues throughout the year. The fourth is again a winter function, *vis-à-vis*, the mediation of trade of Lalotung and Manchuria during the close season at Newchwang, which is clearly a matter of the greatest importance for all concerned. This branch of the trade was what principally necessitated the special Customs arrangements referred to above,

which, after two seasons of trial, have been found to be satisfactory in working and capable of fostering the trade, especially towards the close of the 1905-06 season, when it assumed considerable proportions, large quantities of Nankeens, Silk Piece Goods, Cigarettes, and other goods having passed through with north-eastern destinations. It now remains for those who control the wharves and railways concerned to do their part in encouraging these very important developments. It may be finally remarked that the China Navigation Company has in an enterprising manner decided to be on the field for any development at hand, and has at the time of writing this already secured a fair portion of import freight at Chinwangtao.

FOREIGN TRADE OF NEWCHWANG IN 1905.

The value of Foreign goods imported from abroad was Hk. Tls. 9,900,000, nearly double the value of direct Import trade in any year before. The value of Cotton Goods was Hk. Tls. 1,700,000 larger than in 1904, made up mainly as follows: American Piece Goods, Hk. Tls. 24,000; Japanese Piece Goods, Handkerchiefs, and Towels, Hk. Tls. 160,000; Cotton Blankets, Hk. Tls. 70,000; Indian Cotton Yarn, Hk. Tls. 695,000; Japanese Cotton Yarn, Hk. Tls. 635,000; Flour, Hk. Tls. 500,000; Kerosene Oil, Hk. Tls. 225,000. Of the Sundries showing increases of at least Hk. Tls. 100,000, Cigarettes, Matches, Medicines, Paper, Sugars, and Timber may be noted.

The value of the Exports to Foreign countries was Hk. Tls. 6,700,000. The great difference between that and the less than Hk. Tls. 1,600,000 of the year before is due solely to the removal of the restrictions on shipments abroad imposed while the war lasted. The direct export of Beans went up to 870,000 piculs, as against 330,000 piculs the year before; of Beancake, to 1,500,000 piculs, as against 260,000 piculs; double the quantity of Bean Oil and four times as much Raw Silk were exported. These four articles made up 97 per-cent. of the direct Exports. Even so, the total fell considerably short of that of ordinary years, simply because inland products could not get to the port for shipment.

Re-exports to Foreign countries were insignificant, amounting to less than Hk. Tls. 25,000 in value.

The variations in the Foreign population of the port are of interest. In 1895 the number of Foreigners was 222, of whom the Japanese were 11, with no Russians; in 1900 the number was 1,954, of whom 35 were Japanese and 1,760 Russians; in 1905 the number was 7,699, of whom 7,408 were Japanese and 1 was Russian.

EARTHQUAKES IN FUKIEN.

Recent issues of the *Fukien Daily News*, which is published at Amoy, give accounts of earthquake shocks which have been felt in Fukien. On the 28th of March, and a few days after, there were repeated shocks experienced at the large prefectural city north of Amoy called Chuanchou.

At a village called Eastern Prison, a hill, on which there were many graves, split in several places and left the graves open with the coffins broken in fragments. The people were terrified on seeing the dead thrust, as it were, from the tombs. On the 30th of March at 530 a.m. a large region west of Yengpingfu (140 miles west of Foochow) was visited by a violent shock lasting about 1 min. Many buildings were injured, though none fell. The shock was accompanied by a noise like thunder. The people were panic-stricken. A few days previously the same region and Salsien further to the south-west had been visited by a very unusual hail-storm. Suddenly in the afternoon a violent wind swept over the country causing considerable damage to fields and houses. The wind was followed by a perfect torrent of rain during which the mercury in a few minutes dropped several degrees. An ominous noise, as of heavy swells on the ocean, was next heard and almost immediately hailstones "from the size of a pea to a rice bowl" began to fall. Some roofs were badly battered. The populace is greatly alarmed because of these unusual phenomena.

FOREIGN TRADE COMPETITION AT SHANGHAI.

Special Agent Burrill, of the American Consular Service, makes the following observations on the commercial importance of Shanghai and the growth of foreign trade rivalry at that port in the course of a report to the Washington authorities:—

Shanghai is the distributing centre for Central and Northern China and the chief city in commercial importance north of Canton. Populous and rich cities, with their varied industries, are tributary to this port, and the thousand or more miles of the fertile Yangtze valley, with an estimated population of 150,000,000, draw directly or indirectly on this market for needed supplies of imported goods. Through Shanghai are shipped to America, Great Britain, Europe and other parts of the world, the valuable products of this great region and here, too, is the point of trans-shipment to other Chinese ports. In addition to the products of the Yangtze delta country and the valley of the great river, which that magnificent waterway transports to the seaboard, is the handiwork of the millions who reside in Hangchow, Wuhu, Nanking, Chinkiang, Ningpo and cities of smaller size, all of which find an outlet through this city in constantly increasing volume. To the west, north-west and southwest are provinces in which the undeveloped resources are so rich as to have attracted the attention of the world, and which, when opened up, as they inevitably will be with the advent of the railroad, will result in a substantial and wholesome increase of the purchasing power of this part of the empire. Trade and commerce follow closely in the wake of wealth-producing home industries, and Shanghai's position, as the chief distributing centre of China, becomes all the more assured because, in this development, she must of necessity, participate. Manchuria Corea and the coast cities now draw on Shanghai for their supplies, and these demands, it is safe to assume, will expand materially with the development of the empire. Shanghai holds the key to the situation, and with the dredging of the Yangtze bar and the Whangpoo river, ensuring sufficient water for the largest vessels to enter the port, the commerce of Shanghai it is conceded will grow to immense proportions.

England, Germany, France and Japan are the principal competitors of the United States in the Shanghai market. Great Britain has a commanding lead on paper, but this is partly attributable to the fact that all goods trans-shipped at Hongkong, whatever may have been the country of origin, under the system governing the Customs service of China, are credited to Great Britain. The importations from Great Britain for 1904, including Hongkong, amounted to \$85,583,691 gold; from the continent of Europe, including Russia in Asia, \$13,225,853 gold; from Japan and Formosa, \$20,310,821 gold, and from the United States, the Philippines and Hawaiian islands, \$19,032,216 gold. The figures given for the United States are far below the actual value of American importation into Shanghai for the reasons indicated above. Of the \$85,583,691 credited to Great Britain, fully 25 per cent. came from Hongkong, and of this 25 per cent. it is impossible to arrive at even an approximate estimate of the amount to which she is really entitled.

During the same period China exported to Great Britain \$18,274,444 gold; the United States \$18,889,361 gold; Japan and Formosa, \$20,310,881 gold, and to the Continent of Europe, \$31,326,149 gold. A comparison of the foregoing figures, both import values, will show that notwithstanding the quantity of goods shipped from American ports to Hongkong, where they lost their identity and become to all intents and purposes English exports, the balance of trade for 1904 was slightly in our favour. As a matter of fact the American exports to China for the period largely exceeded the Chinese exports to the United States, and the return for 1905 when compiled will unquestionably show a far greater excess.—*Kobe Herald*.

A number of censors are being sent to Japan. These should have been the first officials to have their minds broadened.

HONGKONG GYMKHANA CLUB.

The second meeting of the Hongkong Gymkhana Club was held under most favourable weather conditions on May 12th. The turf was fast, the racing good, and what was more satisfactory, a large attendance witnessed it.

H. E. the Governor, with a party from Government House, arrived shortly before the first race, and witnessed the events from his private box. The band of the Royal West Kent Regiment was in attendance, and provided music during the afternoon. The clerks of the Pari-Mutuel were busy as usual, but were not called upon to disburse any large dividends, the highest paid being \$26.70, the amount the backers of Blue Nile, the winner of the Challenge Cup, were returned. The entries in the polo pony race, and in the bran pie race, ladies' nomination, were as large as in any of the others, but from a spectator's point of view these events were not interesting, and in the latter a little dissatisfaction was caused through a scarcity of rosettes, only nine being available, whereas there were twelve entrants, and three of these had to withdraw.

Patrons: His Excellency Sir Matthew Nathan, K.C.M.G.; His Excellency Vice-Admiral Sir Arthur W. Moore, K.C.B., K.C.V.O., C.M.G.; His Excellency Maj-Genl. Villiers Hatton, C.B.; Commodore H. Pigot Williams, R.N.

Committee: The Stewards of the Hongkong Jockey Club, (ex-officio); Lieut.-Col. Aitken; Major Parker; Messrs. G. K. Hall Brutton, C. H. Ross, J. A. Jupp, H. P. White; Mr. C. H. Ross, Judge; Messrs. H. P. White and J. A. Jupp, handicappers; Mr. J. A. Jupp, Clerk of the Scales; Mr. H. P. White, Starter; Mr. W. W. G. Ross 2nd Starter; Mr. T. S. Forrest, time-keeper; Mr. C. G. Mackie, hon. secretary and treasurer.

FIVE FURLONGS FLAT RACE.—For Hongkong subscription griffins of any season. Weight for inches as per scale. Winners of an open race and winners at last Gymkhana barred. Winners of an official race to carry 7lb extra; of two or more official races 10lb. extra. "Off day" winners to carry 3lb. extra. Unplaced ponies in an official race allowed 5lb. Non-winning Jockeys allowed 5lb. Entrance fee \$5. First prize, a cup presented by J. R. M. Smith, Esq.; second prize, \$25 (Entrance fees to go to winner).

Mr. W. G. Clarke's Pathan, 10st 10lbs, 5lbs allowance (Owner)	1
Mr. Ottery's Red Herring, 10st 10lbs, 5lbs allowance (Mr. Gresson)	2
Mr. A. C. Hynes' Ingot, 11st 5lbs (Mr. Hall Brutton)	0
Mr. Hickoff's Roscommon, 11st 5lbs, allowed (Mr. Hickman)	0
Dr. J. W. Noble's Frechdachs, 11st 2lbs (Mr. Mackie)	0

At the start Pathan took the lead, Red Herring second place, while Ingot, Frechdachs and Roscommon raced three deep behind. The same position was maintained until the straight was entered, when Red Herring's rider failed in his attempt to overtake Pathan, who passed the winning post three lengths ahead. Ingot managed to draw ahead of the last three, and took third place by a length.

Time—1 min. 18 3-5 secs. The Pari-Mutuel paid a dividend of \$9.10 on Pathan.

POLY PONY RACE. Open to all bona fide polo ponies to be passed as such by the Committee of the Club. Catch weights. Competitors to start mounted and gallop 100 yards to a post, dismount, run 50 yards leading mount to another post, mount and gallop in. Entrance fee \$3. First prize, a cup presented by Dr. J. W. Noble; second prize, \$25.

Mr. W. A. Cruickshank	1
Mr. C. G. Mackie	2
Captain Casserly	3

There were six entries for this event, which was won easily by Mr. Cruickshank.

GYMKHANA CLUB CHALLENGE CUP.

Distance One Mile.—For all China ponies. Catch weights at 10st 6lb. Winners of an open race or open griffin race 5lb. extra. Non-winning Jockeys allowed 5lb. To be won by the pony scoring most marks in the races for the Cup: counting 4 points for a first; 2 for a second; and 1 for a third. The benefit of marks already scored to pass with the pony on a sale. Any winner of the

race to carry 5lb. extra for each win in subsequent starts for the Cup, but in the event of a pony carrying the penalty not winning, 2lb. to be deducted next time he starts. Penalties accumulative up to 15lb. Entrance fee of \$5 to go in the purchase of a memento to the winner of each race, and \$25 to second pony out of the Club funds. At the conclusion of the season a cup, value \$100, will be presented to the owner of the pony obtaining the second highest number of marks.

Mr. S. P. C's Blue Nile, 10st 8lb, 2lb...
overweight (Mr. Master) 1
Mr. G. K. Hall Brutton's Kingston, 10st 11lb (Owner) 2
Mr. G. C. Moxon's Speculation, 10st 6lb (Mr. Dupree) 0
Father O'Flynn's Dennybrook, 10st 11lb, 5lb allowed (Mr. Gresson) 0
Mr. C. G. Mackie's Quaich, 10st 11lb (Owner) 0

The field got a good start. Speculation in the van took up a position alongside the rails. Kingston following in his wake about two lengths behind, with Blue Nile third. Speculation gradually increased his lead until the incline was reached, where Blue Nile ran level with Kingston, and the pair drew up to the leader. Passing the village they ran neck and neck, but as the straight was entered Speculation was again foremost. But not for long. Spurs and whips urged the ponies on, and Blue Nile proved the most capable of responding, and passed the Judge's box about a neck ahead of Kingston, who was about the same distance ahead of Speculation, the favourite.

Time—2 min. 7 2/5 secs. The dividend paid on Blue Nile was \$26.70.

"BRAN PIE RACE." Ladies' Nomination. —Ladies will line up in front of Judge's box, gentlemen with ponies (dismounted) also lined up ten paces distant. On the word "go" ladies will run to the Bran Pies and search for rosettes hidden therein (there will be several Bran Pies, but only one will contain rosettes). On finding a rosette, lady will run back to her partner and tie the rosette on his pony's bridle on the outside, the gentleman will then mount and ride to a point where a corresponding coloured rosette will be found suspended across the Race Course. He must secure this corresponding rosette, tie it on his pony's bridle on off side and return to starting post. First home with two corresponding rosettes properly tied to bridle to win. Entrance fee \$3. First and second prizes presented by the Club.

Mr. Master, nominated by Miss Master... 1
Mr. Mackie, nominated by Mrs. Brutton... 2
Mr. Fergusson, nominated by Mrs. Mowatt... 3

HURDLE RACE.—For China ponies. Distance about one mile and a quarter. Catch weights 10st. 8lb. Winner of hurdle race at first Gymkhana to carry 5lb. extra. Entrance fee \$5. First prize, a cup presented by Hon. Mr. C. W. Dickson; second prize, \$25. (Entrance fees to go to winner).

Only three ponies started in this event, Glenburn taking the lead, and the Quaich following so leisurely in the rear as to cause spectators to say that the jockey was "not trying." Ben Royal drew off at the second hurdle, leaving the field to Quaich and Glenburn, the latter being well in the lead. Gradually the Quaich drew up to him, and as they passed the rock assumed the lead. He took the hurdles beautifully, and gradually outdistanced the old steeplechaser, cantering home an easy winner.

Time—3 min. 15 3/5 secs. The Pari paid \$9.70.

ONE MILE AND A QUARTER FLAT RACE. Handicap.—For all China ponies. Non-winning jockeys allowed 5lb. Entrance fees \$5. First prize, a cup presented by H. N. Mody, Esq.; second prize, \$25. (Entrance fees to go to winner).

This race brought forth the largest field of the day, there being nine starters. As the ponies passed the Judge's box for the first time Pathan was in the lead, with Sundial close behind, while Highlandman and Roscommon ran slightly in advance of the rest of the field. Pathan was still leading going up the incline, where Preston and Maori King challenged him. He kept ahead, however, and although hard pressed by Preston coming up the straight, succeeded in passing the winning post first. Maori King was close behind the second horse at the finish.

Time—2 min. 42 1/2 secs. The Pari-Mutuel paid \$13.40.

SHANGHAI RACES.

The races opened on May 7th in delightful weather, and there was a record attendance. Results are:—

THE SUBSCRIPTION GRIFFIN PLATE, 1/2 mile.
Fourmerkland (Mr. Johnstone) ... 1
Disdono (Mr. Hayes) ... 2
Bedouin Chief (Mr. Moller) ... 3

Time—1 min. 35 secs.
THE CRITERION STAKES, One mile.
Brownberry (Mr. Burkill) ... } Dead Heat
Celtic (Mr. Cumming) ... }
Sunbink (Mr. P. Crighton) ... 3

Time—2 min. 6 3/5 secs.
THE GRIFFIN'S PLATE, 1/2 mile.
Radium (Mr. Burkill) ... 1
Willie Work (Mr. Schnorr) ... 2
Tipcat (Mr. Zahn) ... 3

Time—1 min. 32 3/5 secs.
CATHAY CUP, One mile and a half.
Argante (Mr. Meyerink) ... 1
Cotswold (Mr. Johnstone) ... 2
Cedric (Mr. Cumming) ... 3

Time—3 min. 20 secs.
JOCKEY CUP, Once round.
Blocade (Mr. Moller) ... 1
Soyeda (Mr. Vida) ... 2
Turbine (Mr. Skinner) ... 3

Time—2 min. 6-15 secs.
HART LEGACY CUP, Half a mile.
Hokuku (Mr. Cumming) ... 1
Narses (Mr. Vida) ... 2
Gadfly (Mr. Burkill) ... 3

Time—59 1/5 secs.
SHANGHAI GOLD CHALLENGE CUP, 1 1/2 miles.
Brockton (Mr. Hayes) ... 1
Coxcomb (Mr. Burkill) ... 2
Ornament (Mr. Meyerink) ... 3

Time—2 min. 39 secs.
KIANGSU CUP, 1 1/2 mile.
Comanche (Mr. Moller) ... 1
Sphere (Mr. Cumming) ... 2
Czardas (Mr. Cox) ... 3

Time—3 min. 49 3/5 secs.
CHIH LI CUP, One mile.
Alpha (Mr. Dalglissh) ... 1
Diadono (Mr. Hayes) ... 2
Haakon Seventh (Mr. Burkill) ... 3

Time—2 min. 83-5 secs.
GRAND STAND STAKES, One mile.
Egad (Mr. Burkill) ... 1
Vulcan (Mr. Vida) ... 2
Fourmerkland (Mr. Johnstone) ... 3

Time—1 min. 48 4-5 secs.

Beverley wins the Gold Cup outright.

SECOND DAY'S RESULTS.

The Shanghai Races were continued on May 8th in favourable weather. There was a large attendance, and the course proved very fast, the Derby being run in record time. The results, which are appended, were generally unexpected:

THE CHU-KA-ZA CUP, 1/2 mile.
Brownberry (Mr. Burkill) ... 1
Cotswold (Mr. Johnstone) ... 2
White Blaze (Mr. Crighton) ... 3

Time—1 min. 30 4-5 secs.
THE SHANGHAI DERBY, 1 1/2 miles.
Brockton (Mr. Hayes) ... 1
Ornament (Mr. Meyerink) ... 2
Coxcomb (Mr. Burkill) ... 3

Time—3 min. 11 2-5 secs.
THE MONGOLIAN PLATE, 1 1/2 miles.
Disdono (Mr. Hayes) ... 1
Haakon Seventh (Mr. Burkill) ... 2
Pittenweem (Mr. Laurence) ... 3

Time—2 min. 44 2-5 secs.
THE RACE CLUB CUP, two miles.
Monsoon (Mr. Campbell) ... 1
Trittenheimer (Mr. Hayes) ... 2
Czardas (Mr. Cox) ... 3

Time—4 min. 25 3-5 secs.
THE CONCORDIA CUP, 1/2 mile.
Chehalis (Mr. Vida) ... 1
Soyeda (Mr. Hayes) ... 2
Antobyous (Mr. Johnstone) ... 3

Time—2 min. 40 2-5 secs.
THE SICCAWEI CUP, 1 1/2 miles.
Lavender (Mr. Burkill) ... 1
White Blaze (Mr. Crighton) ... } Dead Heat
Cotswold (Mr. Johnstone) ... }

Time—2 min. 37 3-5 secs.

THE JOCKEY CUP, one mile.
Pittenweem (Mr. Laurence) ... 1
Alpha (Mr. Jones) ... 2
Fleder (Mr. Peters) ... 3

Time—2 min. 10 secs.
THE SHANGHAI STAKES, 1 1/2 miles.
Cedric (Mr. Cumming) ... 1
Comanche (Mr. Moller) ... 2
Argante (Mr. Meyerink) ... 3

Time—3 min. 13 secs.
THE SPRING CUP, one mile.
Coxcomb (Mr. Burkill) ... 1
Gaelic (Mr. Cumming) ... 2
Narses (Mr. Vida) ... 3

Time—2 min. 63-5 secs.
THE SCURRY STAKES, seven furlongs.
Cosmopolitan (Mr. Abel) ... 1
Radium (Mr. Burkill) ... 2
Willie Work (Mr. Schnorr) ... 3

Time—1 min. 48 2-5 secs.

THIRD DAY'S RESULTS.

The races for the third day opened in beautiful weather, and some splendid racing took place.

The Champion Sweepstakes was won in record time, only a head and neck separating the placed ponies.

THE GREAT NORTHERN PLATE, seven furlongs.
Cotswold (Mr. Johnstone) ... 1
Nimbus (Mr. Jones) ... 2
Narses (Mr. Vida) ... 3

Time—1 min. 48 3-5 secs.
THE RACE CLUB CHALLENGE CUP 1 1/2 miles.
Coxcomb (Mr. Burkill) ... 1
Ornament (Mr. Meyerink) ... 2
Entente Cordiale (Mr. Campbell) ... 3

Time—2 min. 39 2-5 secs.
THE SHANTONG STAKES, one mile.
Haakon Seventh (Mr. Burkill) ... 1
Fourmerkland (Mr. Johnstone) ... 2
Garnet (Mr. Midwood) ... 3

Time—2 min. 8 secs.
THE PARI-MUTUEL STAKES, 1 1/2 miles.
Jetsam (Mr. Burkill) ... 1
Ardpatrick (Mr. Johnstone) ... 2
Atlantic (Mr. Cumming) ... 3

Time—3 min. 132-5 secs.
THE RACING STAKES, one mile.
Cosmopolitan (Mr. Abel) ... 1
Framfield (Mr. Johnstone) ... 2
Soyeda (Mr. Wulleumier) ... 3

Time—2 min. 43-5 secs.
THE YANG-TSZE CUP, 1 1/2 miles.
Sphere (Mr. Cumming) ... 1
Czardas (Mr. Cox) ... 2
Kinneil (Mr. Wulleumier) ... 3

Time—3 min. 52 2-5 secs.
THE MANCHU STAKES, 1 1/2 miles.
Heathfield (Mr. Burkill) ... 1
Misanthropist (Mr. Crighton) ... 2
Antobyous (Mr. Johnstone) ... 3

Time—2 min. 37 secs.
THE CHAMPION SWEEPSTAKES, 1 1/2 miles.
Cedric (Mr. Cumming) ... 1
Brockton (Mr. Hayes) ... 2
Argante (Mr. Meyerink) ... 3

Time—2 min. 35 3-5 secs.
THE NIL DESPERANDUM CUP, seven furlongs.
Disdono (Mr. Zahn) ... } Dead
Mutabi (Mr. Abel) ... } Heat
Gleam (Mr. Schnorr) ... 3

Time—1 min. 50 3-5.

The Indian Trade Journal, discussing cotton spinning in 1905, says:—"The exceptional activity that has prevailed through the industry during the past twelve months, the heavy demand in all directions, and the large profits known to have been made, entitle us to say that for many months every available spindle in India was working to its utmost capacity." Each spindle produced an average of over eleven lbs. per month.

The a.s. Haimun arrived in port on May 6th having on board thirteen survivors from the wreck of the Chukong, which foundered near Swatow on the 27th ult. Mr. Benjamin Butter, chief engineer, was the only European who escaped. He jumped into the sea before the vessel went down and was picked up by the boat which the Chinese crew had previously launched, and was taken to Swatow. The other Europeans on board, Captain W. Bright, Mr. J. Service, chief mate, and his wife, were drowned.

COMMERCIAL.

SILK.

Messrs. A. R. Burkill & Sons' Silk Circular, dated Shanghai, 28th April, 1906, states:—The Home Markets are steady. Gold Killing is quoted in London at 12/10 and in Lyons at Fcs. 36. Raw Silks.—During the interval there is no business to report either in Tattees or Coarse Silks. Market closes easier. Yellow Silks.—We only hear of one settlement of Mienyang. Hand Filatures.—A sale of Small Buffalo 1 grant reel at Tls. 635 is reported for America, but there is very little enquiry and the market is easier. Steam Filatures.—Nothing doing. Waste Silks.—We have not heard of any business.

RICE.

Messrs. Wm. G. Hale & Co.'s Circular, dated Saigon, 4th May, 1906, states:—A fairly large amount of business has been put through during the period under review with Europe, French Colonies, Java, Philippines and China, and demand continues to rule lively. Prices, owing to the said sales and meagre arrivals of grain from the Interior, have hardened, and close steady with a well marked upward tendency.

We quote for November delivery.

	per picul
No. 2 White sifted (trial) steam milled (round)	*
No. 2 White unsifted (ordinaire) steam milled (round)	\$3.25
5 % Cargo steam milled (round)	\$2.93
10 % Cargo steam milled (round)	\$2.85
20 % Cargo steam milled (round)	\$2.75

* Prices according to terms and conditions

OPIUM.

HONGKONG, 12th. May.

Quotations are:—Allowance net to 1 catty.

Malwa New	\$930	to	—	per picul.
Malwa Old	\$980	to	—	do.
Malwa Older	\$1030	to	—	do.
Malwa Very Old	\$1080	to	—	do.
Persian Fine Quality	\$850	to	—	do.
Persian Extra Fine	\$900	to	—	do.
Patna New	\$860	to	—	per chest.
Patna Old	\$830	to	—	do.
Benares New	\$790	to	—	do.
Benares Old	—	to	—	do.

PIECE GOODS.

Messrs. Noel, Murray & Co.'s Report on the Shanghai Piece Goods Trade, dated Shanghai, 4th May, 1906, states:—Returns of Trade and Trade Reports for 1905.—The familiar Yellow Book containing the statistics and reports for all the Treaty Ports was getting to such an unwieldy size, the Statistical Secretary of the Imperial Maritime Customs has this year inaugurated a welcome change and is dividing the Ports up into groups, and only giving minute details of the trade of the most important. Vol. I, Northern Ports (Newchwang to Kiachow), has just been published and from it a great deal of interesting and valuable information is available. Commencing with Newchwang, the Commissioner at that Port gives a brief outline of the course of events during the past twelve months, and adduces therefrom the reasons for trade not resuming its former channels so early as was expected, and the exigencies that serve to hinder the Natives from buying more freely the goods foreigners are so eager to land them with. In the Country, people have suffered much more than was supposed from the effects of the war in their midst, one estimate putting the loss of lives at 20,000, and damage to property and kind at 70 million taels, which gives some idea. "Large quantities of grain and other property must have been buried to save it from pillage or destruction, which goes far to account for the rapid recovery of the country as soon as war had ceased. One difficulty continued, want of labour and means of transport." As regards the payment by the belligerents for supplies and service in rouble notes and war notes, the significant remark is made "but some deductions must be made; nobody can suppose that those payments were full compensation for supplies, services, and damage of all kinds; and when the peasant was

paid, he was paid in paper which was not readily redeemable. So far there have never been proper facilities for the redemption in silver of the rouble and war notes at places reasonably convenient to the holders for presentation. Even at this port (Newchwang) they have been constantly at a discount, and large amounts of those issued in the interior have been bought up at a still greater discount. The military operations ceased early enough in the year to allow the annual sowing in the Spring, and the harvest was excellent, but trade was hampered by the want of carts and boats, and before the congestion was relieved an outbreak of plague occurred, and the Japanese Military Administration prohibited boats and carts from going inland, and up country boats loaded with produce would not come down at the risk of being unable to leave Newchwang in time to get back while the river was still open. The prohibition was not removed until too late to be of any use to trade, and meanwhile foreign imports had accumulated and the godowns were full and had to remain so for the winter. On the whole, considering the state of the country and the hindrances to the exchange of goods, the trade of the year affords ample justification for the belief that in time of peace Manchurian trade will flourish." There is no improvement in our market, or signs that there is likely to be any in the near future; everything remains in statu quo, and there is only one course to pursue, and that is to wait patiently until the demand does come. Further forward buying is to be deprecated, too much mischief has been done already, and, with perhaps the exception in certain Fancy Goods, importers should discourage the idea of sending further orders on Native account. They have sadly miscalculated the capacity of the trade, or at all events through its old channels, and this market can only be placed on a sound footing again by allowing stocks to be reduced. With the gradual opening of the country by the introduction of railways the tendency will be for Foreign firms to establish themselves at other centres, and there arrange for direct importations of goods to harter against produce, as was done here years ago before the commission agent usurped the business, and that, it is suggested, is what is being done in Tientsin, and possibly in Hankow, to a greater extent year by year, and naturally the goods that are imported are those that are most popular and easily saleable, and so the demand for such articles on this market is so much less. It matters not to the home producer that he is supplying two parties with goods to meet the same demand, that, one or the other of the two will have to work out for himself. Possibly on account of the weather during the interval clearances have been very poor, at least that is the most charitable way of looking at it. The report of the failure of a native Bank in Newchwang last week has been followed by others of a like description unfortunately, which is causing a feeling of depression on the market, there being so much absolute ignorance of the precise standing of the trade. The Customs annual report, leaves no doubt as to the market being overstocked, and throws a good deal of light on the whole subject. The Tientsin report, which we hope to touch on next week, shows the extent to which direct importations are trending, and in all probability accounts for a good deal of the active buying for China that Manchester has been impressing on importers here of late. There is nothing of an encouraging nature to note with regard to the River or Szechuen markets. Manchester keeps very firm, and a slight recovery in American Cotton is advised from Liverpool, the latest quotation being 6.06d. Egyptian, however, is easier 10½d., one firm having it 10½d. The export of Plain Cottons last month to Hongkong and China was 35,000,000 yards, and 1,000 bales yarn to Shanghai alone. Despite numerous reports that have been current recently to the contrary the New York market is still very firm, this being confirmed in a reply to a special enquiry, the latest quotation for Pepperell Drills being 13s. 0d. for September delivery, that being the best that can be done. The yarn market is dull and drooping, weak holders being very anxious to quit.

MISCELLANEOUS EXPORTS.

Per P. & O. steamer *Derantha*, sailed on 5th May. For Manchester:—100 bales waste silk. For Gibraltar:—1 case cigars. For Lyons:—54 bales raw silk. For Marseilles:—100 bales waste silk, 102 bales raw silk, 7 cases feathers. For London:—50 bales waste silk, 3 packages sundries, 2 cases ponjee silk, 20 packages private effects, curios, &c., 3 cases cigars, 420 rolls matting, 3 cases feathers.

Per P. & O. steamer *Manila*, sailed on 9th May. For Liverpool:—12 packages private effects and curios. For Manchester:—150 bales waste silk. For Havre:—50 cases bristles. For London:—250 bales hemp, 900 packages tea (from Foochow), 226 bales waste silk, 60 bales canes, 16 cases woodware, 18 cases chinaware, 1 case feathers, 53 packages private effects, 199 ingots tin, 1 case electric machinery, 13 cases furnitures and rattan chairs.

HANKOW, 2nd May, 1906:—The prices quoted are for the net shipping weight excluding cost of packing for export:—

	Per picul.
Cowhides, Best Selected	Tls. 37.75
Do. Seconds	33.50
Buffalo Hides, Best Selected	18.50
Goatskins, untanned, chiefly white color ..	70.00
Buffalo Horns, average 3-lbs. each	9.50
White China Grass, Wuchang and/or Poochi	12.00
White China Grass, Sinshan and/or Chayu ..	11.25
Green China Grass, Szechuen	12.75
Jute	5.00
White Vegetable Tallow, Kinchow	9.20
White Vegetable Tallow, Pingchow and/or Macheng	9.00
White Vegetable Tallow, Mongyu	8.50
Green Vegetable Tallow, Kiyu	8.75
Animal Tallow	10.00
Gallnuts, usual shape	16.50
Do. Plum do.	18.50
Tobacco, Tingchow	9.00
Do. Wongkong	10.75
Black Bristles	110.00
Feathers, Grey and/or White Duck ..	(nom.)
" " " Wild Duck	"
Turneric	3.50
Sesamum Seed	4.00
Sesamum Seed Oil	8.00
Vegetable Tallow Seed Oil	(nom.)
Wood Oil	8.50
Tea Oil	10.00

EXCHANGE.

MONDAY, 14th May.

ON LONDON.—	
Telegraphic Transfer	2/11
Bank Bills, on demand	2/11½
Bank Bills, at 30 days' sight	2/11
ON LONDON.—	
Bank Bills at 4 months' sight	2/11
Credits, at 4 months' sight	2/11½
Documentary Bills, 4 months' sight ..	2/11½
ON PARIS.—	
Bank Bills, on demand	285½
Credits 4 months' sight	269½
ON GERMANY.—	
On demand	216
ON NEW YORK.—	
Bank Bills, on demand	51½
Credits, 60 days' sight	52
ON BOMBAY.—	
Telegraphic Transfer	157½
Bank, on demand	157½
ON CALCUTTA.—	
Telegraphic Transfer	157½
Bank, on demand	157½
ON SHANGHAI.—	
Bank, at sight	71½
Private, 30 days' sight	72½
ON YOKOHAMA.—	
On demand	108
ON MANILA.—	
On demand	102½
ON SINGAPORE.—	
On demand	11½ p.p.m.
ON BATAVIA.—	
On demand	127
ON HAIPHONG.—On demand	3 p.p.m.
ON SAIGON.—On demand	2½ p.p.m.
ON BANGKOK.—On demand	61
SOVEREIGNS, 1 ank's Buying Rate	\$9.45
GOLD LEAF, 100 fine, per tael	\$50.00
BAR SILVER, per oz.	30½

FREIGHTS.

From Hankow per Conference Steamers.—To London and Northern Continental ports 46/- per ton of 40 c. ft. plus river freight. To Genoa, Marseilles or Havre 41/6 per ton of 40 c. ft. plus river freight. To New York (via Suez) 32/- per ton of 40 c. ft. plus river freight. To New York (via Suez) Tea 39/6 per ton of 40 c. ft. plus river freight. To New York (overland) Tea 31½ cents per lb. gross, plus river freight. To Shanghai:—Tea and General Cargo, Tls. 1.60 to 1.80 per ton, weight or measurement.

HONGKONG QUOTATIONS.

Hongkong, 12th May, 1906.

Apricot	\$22 to \$24
Borax	\$14 " \$18
Cassia	\$14 " \$19
Cloves	\$29 " \$34
Camphor	\$160 " —
Cow Benzoin	\$120 " \$148
Fennel Seed	\$6.50 " —
Galangal	\$2.50 " \$5
Grapes	\$12 " —
Kissim	\$17 " —
Glue	\$28 " —
Olibanum	\$2 " \$18
Oil Sandalwood	\$230 " \$375
" Rose	\$50 " \$180
" Cassia	\$150 " —
Raisins	\$9 " —
Senna Leaves	\$3 " \$5
Sandalwood	\$25 " \$30
Saltpetre	\$10 " \$10.50

SHARE REPORTS.

HONGKONG, 11th May, 1906.—We have no special features to report this week; the same circumstances continue to affect the market adversely, and business remains dull and the market more or less depressed. Exchange on London has further advanced during the week, and closes at 2/1 1/2 T.T.

BANKS.—Hongkong and Shanghai have continued quiet and shares offered at the reduced rate of \$55 failed to tempt buyers. At time of closing shares could probably be obtained at \$850, but the market is not pressed at that and closes fairly steady. Nationals remain unchanged and without business.

MARINE INSURANCES.—Unions continue in request, but even the enhanced rate of \$790 fails to bring out shares, and we have no sales to report. China Traders are still enquired for, but we have heard of no transactions, and the rate remains nominal. A small demand for Cantons at \$355 has not been met, and the market continues firm at that rate. The Northern Insurances remain unchanged and without local business.

FIRE INSURANCES.—Hongkongs remain on offer with no buyers at quotation. Chinas are wanted in small lots at \$86, while larger lots cannot at the moment be placed.

SHIPPING.—Hongkong, Canton and Macao have ruled without change at \$25 sales and sellers, closing with no buyers over \$24 1/2. Indos continue neglected, with only very small sales at quotation. China Manilas have been placed during the week at \$20, \$21, \$22, \$23 and \$24, but close weaker with sellers at \$22 1/2. Douglases continue in a small demand at \$40, but buyers are not prepared to meet a small advance by sellers, and the market closes unchanged. Star Ferries are enquired for at quotations, but we have heard of no sales. Shells remain unchanged and without business.

REFINERIES.—China Sugars continue neglected and the rate has further declined to \$172 without business. Luzons unchanged.

MINING.—Raubs are enquired for in a small way at \$2 1/2, but we have heard of no sales.

DOCKS, WHARVES AND GODOWNS.—Hongkong and Whampoa Docks have continued to run weak, and we have no sales to report. Kowloon Wharves remain neglected and without business. Farnhams—now called "The Shanghai Dock and Engineering Co."—have ruled steady at Tls. 119 without any local sales. New Amoy Docks are still enquired for at \$17.

LANDS, HOTELS AND BUILDINGS.—Hongkong Lands have continued in demand at \$119 but none seem obtainable except at an advance. Hongkong Hotels have been placed at the reduced rate of \$13 1/2, but close with buyers at that rate. West Points, after a small sale at \$53, close with sellers at that. Humphreys ruled firm in the early part of the week, and sales were reported as high as \$11 1/2; later, however, the demand slackening, the rate fell to \$11.60 with fair sales, and later to \$11 1/2.

COTTON MILLS.—Quotations from Shanghai give Ewos Tls. 74, Internationals Tls. 70, Laou Kung Mows Tls. 70 and Soy Chees Tls. 325. Hongkongs have declined to \$15 with sellers.

MISCELLANEOUS.—China Borneos have found buyers at \$6 1/2 and \$7, closing with sellers at the latter rate. Green Islands have been placed at \$29 1/2 and \$29, closing with sellers at \$29 1/2. China Providents have changed hands at \$9, Watsons at \$13 1/2, and Powells at \$10 1/2, all closing with sellers at quotations. China Lights are enquired for at \$10 1/2. We have nothing else to report under this heading.

Closing quotations are as follows.—

COMPANY.	PAID UP.	QUOTATIONS.
Alhambra	\$200	\$100
Banks—		
Hongkong & S'hai..	\$125	\$855, sellers London, £89.10
National B. of China		
A. Shares	25	\$38, buyers
Bell's Asbestos E. A...	12s. 6d.	\$7 1/2, buyers
China-Borneo Co.....	\$12	\$7, buyers
China Light & P. Co.	\$10	\$10 1/2, buyers
China Provident	\$10	\$9, sales & sellers
Cotton Mills—		
Ewo.....	Tls. 50	Tls. 74
Hongkong	\$10	\$15, sellers
International	Tls. 75	Tls. 70
Laou Kung Mow	Tls. 100	Tls. 70
Soychee	Tls. 500	Tls. 325
Dairy Farm	\$6	\$16
Docks & Wharves—		
H. & K. Wharf & G.	\$50	\$104 1/2, sellers
H. & W. Dock	\$50	\$164, sellers
New Amoy Dock	\$6 1/2	\$17, buyers
Shanghai Dock and	Tls. 100	Tls. 119.
Eng Co., Ltd		
S'hai & H. Wharf...	Tls. 100	Tls. 225.
Fenwick & Co., Geo...	\$25	\$22, sellers
G. Island Cement. ...	\$10	\$29 1/2, sellers
Hongkong & C. Gas...	\$10	\$175, buyers
Hongkong Electric...	\$10	\$17, sellers
Do. New	\$10	\$16 1/2, sellers
H. H. L. Tramways...	\$100	\$235, buyers
Hongkong Hotel Co...	\$50	\$130, sales & buy.
Hongkong Ice Co.....	\$25	\$235, buyers
Hongkong Rope Co...	\$10	\$29, sellers
H'kong S. Waterboat	\$10	\$9 1/2
Insurances—		
Canton	\$50	\$355, buyers
China Fire	\$20	\$86, sellers
China Traders	\$25	nominal
Hongkong Fire	\$50	\$305, sellers
North China	25	Tls. 87 1/2
Union	\$100	\$790, buyers
Yangtze	\$60	\$175
Land and Buildings—		
H'kong Land Invest.	\$100	\$119, buyers
Humphreys' Estate	\$10	\$11 1/2
Kowloon Land & B.	\$30	\$39
Shanghai Land	Tls. 50	Tls. 119
West Point Building	\$50	\$53
Mining—		
Charbonnages	Fcs. 250	\$490
Raubs	18/10	\$2 1/2, buyers
Philippine Co.	\$10	\$5 1/2
Refineries—		
China Sugar	\$100	\$172, sellers
Luzon Sugar	\$100	\$25
Steamship Companies		
China and Manila...	\$25	\$22 1/2, sellers
Douglas Steamship	\$50	\$40, buyers
H., Canton & M. ...	\$15	\$25, sellers
Indo-China S.N. Co.	\$10	\$92, sellers
Shell Transport Co.	\$1	\$27 1/2, sellers
Star Ferry	\$10	\$32, buyers
Do. New	\$5	\$23, buyers
Shanghai & H. Dyeing	\$50	\$50
South China M. Post.	\$25	\$20, sellers
Steam Laundry Co. ...	\$5	\$6
Stores & Dispensaries.		
Campbell, M. & Co.	\$10	\$32
Powell & Co., Wm.	\$10	\$10 1/2, sellers
Watkins	\$10	\$5, sellers
Watson & Co., A. S.	\$10	\$13 1/2, sales
United Asbestos	\$4	\$9
Do. Founders	\$10	\$160

VERNO & SMYTH, Brokers

Messrs. J. P. Bisset & Co.'s Share Report for the week ending the 3rd May, 1906, states:—The market during the last week has been very quiet, business done being principally confined to cash and near. Perak Sugars are again in strong demand. On receipt of the news that the *Loksang* had gone into Chefoo Harbour under her own steam, Indo-Chinas firmed up again. Banks.—Hongkong and Shanghai Banks. No business reported. The London quotation is £90, and the Hongkong quotation is \$165 buyers. The T. T. rate on London is 2s. 10 1/2d. Marine and Fire Insurance.—No business reported. Shipping.—Tugs have been dealt in at Tls. 63 and 62 1/2 for the ordinary shares, closing with buyers at the latter rate. Indo-Chinas were sold at Tls. 67 1/2 and 68 July, but the number of shares changing hands was very small. Docks and Wharves.—S. C. Farnham, Boyd & Co., Ltd. These shares continue quiet at Tls. 119, 123 and 123 July. Shanghai and Hongkew Wharves. Business reported at Tls. 225 cash and Tls. 230 July, and the market closes steady. Sugars.—Perak Sugars are again in strong demand, and it is reported that shares have been placed direct at as high as Tls. 95 for July. Mining.—Kaipings. A few shares changed hands at Tls. 10 ex div. There is no movement in Weihaiwei Golds. Lands.—Shanghai Lands have been done at Tls. 119. Industrial.—Ewos are considerably easier, the principal market being for September, for which month shares are offering at Tls. 76 1/2. Laou Kung Mows have changed hands at Tls. 70 for June. Soy Chees. There have been two operations reported in this stock at Tls. 325 cash. Nothing reported in Internationals. China Flours. The quotation is still Tls. 80. Maatschappij, &c., in Langkats. The market for this stock is very quiet, the cash rate is strong at Tls. 242 1/2 and forward business reported is Tls. 242 1/2 May, Tls. 240, 244 and 245 June. Sumatras. There are buyers of this stock at Tls. 67. Stores and Hotels.—Hotel des Colonies. These have been dealt in at Tls. 17 1/2 and Hall & Holts at \$23. Miscellaneous.—Telephones are in fair demand at Tls. 64. Horse Bazaars have improved to Tls. 55. Loans and Debentures.—Shanghai Lands 6 per cent. Debentures have been dealt in at Tls. 98 and Municipal Council 6 per cent. Debentures at Tls. 98. Government E Loans have changed hands at par.

TONNAGE.

HONGKONG, 4th May.—There has been more demand for tonnage during the past fortnight, and freights are higher all round. From Saigon to this, 17 cents per picul has been paid and more steamers wanted; to Philippines, two small carriers closed at 30 and 31 cents per picul; to Kobe or Yokohama, a part cargo has been placed at 35 cents per picul; to one port north coast Java, 25 cents per picul. From Bangkok to this, 29 and 22 cents has been paid for a small boat. Newchwang to Canton, 22 cents per picul last. Coal freights are firm. From South Japan coal port to Hongkong, \$1.50 to \$1.60 per ton; Wakamatsu to Canton, \$2.25 per ton. From Iloilo to Hongkong, 20 cents obtainable for ready steamer. The following are the settlements:—

Victoria—Swedish steamer, 1,181 tons, Wakamatsu to Canton, \$2.25 per ton.
Fiume—German steamer, 839 tons, Wakamatsu to Canton, \$2.25 per ton.
Tyr—Norwegian steamer, 1,417 tons, Moji to Hongkong, \$1.60 per ton.
Coningebay—British steamer, 2,158 tons, Moji to Hongkong, \$1.60 per ton.
Fulham—British steamer, 2,766 tons, Moji to Hongkong, \$1.60 per ton.
A Jebben steamer, Hongay to Pulo Brani \$3.75 per ton.
Progress—Norwegian steamer, 1,641 tons, Pulo Laut to Hongkong, \$3.00 per ton.
Progress—German steamer, 799 tons, Newchwang to Canton, 22 cents per picul.
Daguy—Norwegian steamer, 883 tons, Bangkok to Hongkong, 29 and 22 cents per picul.
Bourbon—French steamer, 907 tons, Saigon to Hongkong, 15 cents per picul.
Telamachus—British steamer, 1,340 tons, Saigon to Hongkong, 15 1/2 cents per picul.
Brand—Norwegian steamer, 1,519 tons, Saigon to Hongkong, 16 cents per picul.
Cairo—Norwegian steamer, 1,381 tons, Saigon to Hongkong, 17 cents per picul.
Petrarch—German steamer, 1,252 tons, Saigon to Hongkong, \$5.300 lump sum.
Quarta—German steamer, 1,140 tons, Saigon to Kobe or Yokohama (20,000 piculs), 35 cents, balance Hongkong, 17 cents per picul.
Daphne—German steamer, 1,415 tons, Saigon to Vladivostok (13,000 piculs), 52 cents, balance Hongkong, 15 cents per picul.
Peik—Norwegian steamer, 744 tons, Saigon to Cebu, 30 cents per picul.

SHIPPING.

ARRIVALS AND DEPARTURES SINCE LAST MAIL.

May—

ARRIVALS.

3. Devanha, British str., from Shanghai.
3. Siam, British str., from Singapore.
4. Borneo, German str., from Sandakan.
4. Eastern, British str., from Australia.
4. Emma Luyken, German str., from Saigon.
4. Gregory Apcar, British str., from Calcutta.
4. Hailan, French str., from Pakhoi.
4. Tartar, British str., from Vancouver.
4. Tean, British str., from Manila.
4. Zaida, British str., from Rangoon.
5. Anchises, British str., from Kuchinotsu.
5. Choyang, British str., from Shanghai.
5. E. Rickmers, Ger. str., from Kohsichang.
5. Flak, Norwegian str., from Borneo.
5. Filippo Artelli, Austrian str., from Kobe.
5. Haimun, British str., from Amoy.
5. Rajaburi, German str., from Bangkok.
5. Sandakan, German str., from Bangkok.
5. Yochow, British str., from Shanghai.
6. Atlantic, American str., from Iloilo.
6. Bellerophon, British str., from Shanghai.
6. Clam, British str., from Sumatra.
6. Fiume, German str., from Wakamatsu.
6. Ischia, Italian str., from Bombay.
6. Kalgan, British str., from Amoy.
6. Kwanglee, Chinese str., from Shanghai.
6. Richmond, British str., from Saigon.
6. Tyr, Norwegian str., from Moji.
7. Apenrade, German str., from Pakhoi.
7. Clara Jebson, German str., from Bangkok.
7. Cranley, British str., from Chingautao.
7. Glenfalloch, British str., from Singapore.
7. Hui, French str., from Haiphong.
7. J. Diederichsen, Ger. str., from Haiphong.
7. M. Rickmers, Ger. str., from Bangkok.
7. Merionethshire, Brit. str., from Shanghai.
7. Rubi, British str., from Manila.
7. Siberia, American str., from S. Francisco.
7. Willehad, German str., from Sydney.
7. Yuensang, British str., from Manila.
7. Zoroaster, Brit. str., from Christmas Isd.
8. Anglo Saxton, British str., from Cardiff.
8. Eskdale, British str., from Moji.
8. Gaekwar, British str., from London.
8. Haiching, British str., from Coast Ports.
8. Mandal, Norwegian str., from Chefoo.
8. Mausang, British str., from Sandakan.
8. Pekin, British str., from Kobe.
8. Sachsen, German str., from Yokohama.
8. Shahjehan, British str., from Saigon.
8. Shoshu Maru, Jap. str., from Shanghai.
8. Tholma, Norw. str., from Kuchinotsu.
9. Chunsang, British str., from Samarang.
9. Daigi Maru, Japanese str., from Tamsui.
9. Hanoi, French str., from Haiphong.
9. Huichow, British str., from Tientsin.
9. Laisang, British str., from Calcutta.
9. Lyeemoon, German str., from Shanghai.
9. Machew, German str., from Bangkok.
9. Manila, British str., from Yokohama.
9. Roon, German str., from Hamburg.
9. Waihora, British str., from Singapore.
10. Andalusia, German str., from Hamburg.
10. Bourbon, French str., from Saigon.
10. Daphne, German str., from Saigon.
10. Fri, Norwegian str., from Chinkiang.
10. Glauous, British str., from Liverpool.
10. Hyson, British str., from Liverpool.
10. Tydens, British str., from Liverpool.
10. Vandalia, British str., from Shanghai.
11. Benvenue, British str., from Shanghai.
11. Dortmund, German str., from Moji.
11. Fulham, British str., from Moji.
11. Knivsberg, German str., from Haiphong.
11. S. Rickmers, Brit. str., from Newchwang.
11. Taming, British str., from Manila.
12. C. Diederichsen, Ger. str., from Haiphong.
12. Castor, Norwegian str., from Langkat.
12. Heimdal, Norwegian str., from Haiphong.
12. Loyal, German str., from Bangkok.
12. Maidaura Maru, Jap. str., from Anping.
12. Shansi, British str., from Chinkiang.
12. Wakasa Maru, Jap. str., from Yokohama.
12. Wingsang, British str., from Wuhu.
13. Huitan, British str., from Coast Ports.
13. Java, Norwegian str., from Kuchinotsu.
13. Meefoo, Chinese str., from Shanghai.
13. Standard, Norwegian str., from Bangkok.

May—

DEPARTURES.

4. Amigo, German str., for Saigon.
4. Changchow, British str., for Shanghai.
4. Dongola, British str., for Shanghai.
4. Hailan, British str., for Coast Ports.

4. Kent, British cr., for Shanghai & Y'hama.
4. Kiukiang, British str., for Shanghai.
4. Kwangtah, Chinese str., for Shanghai.
4. Loongsang, British str., for Manila.
4. Quarta, German str., for Saigon.
5. Benmohr, British str., for Japan.
5. Cairo, Norwegian str., for Japan.
5. Devanha, British str., for Europe.
5. Glenlochy, British str., for Shanghai.
5. Hanoi, French str., for Haiphong.
5. Kaasala, British str., for Brisbane.
5. Neumuehlen, German str., for Rangoon.
5. Paklat, German str., for Bangkok.
5. Peik, Norwegian str., for Saigon.
5. Seneca, British str., for New York.
5. Suisang, British str., for Calcutta.
5. Verrier, Norwegian str., for Bangkok.
5. Telemachus, British str., for Saigon.
5. Zafiro, British str., for Manila.
6. Andree Rickmers, Ger. str., for Bangkok.
6. Dagny, Norwegian str., for Bangkok.
6. Daijin Maru, Japanese str., for Tamsui.
6. Falladon Hall, British str., for Bangkok.
6. Foochow, British str., for Chinkiang.
6. Hailan, French str., for Pakhoi.
6. Helene, German str., for Hoihow.
6. Hongbee, British str., for Amoy.
6. Lucia Vittoria, Ital. str., for Vladivostok.
6. Monadnock, U.S. monitor, for Manila.
6. Phrananv, German str., for Bangkok.
6. Pocasset, British str., for Yokohama.
6. Rein, Norwegian str., for Bangkok.
6. Thyra, Norwegian str., for Batavia.
6. Yunnan, British str., for Foochow.
7. Clam, British str., for Balik Papan.
7. Tjilatjap, Dutch str., for Shanghai.
8. Chiyuen, Chinese str., for Shanghai.
8. Eastern, British str., for Yokohama.
8. Filippo Artelli, Aust. str., for Singapore.
8. Haimun, British str., for Coast Ports.
8. Kumsang, British str., for Calcutta.
8. Richmond, British str., for Japan.
8. Tean, British str., for Manila.
8. Tsinan, British str., for Yokohama.
8. Zaida, British str., for Amoy.
9. Anchises, British str., for Saigon.
9. Anghin, German str., for Swatow.
9. Apenrade, German str., for Hoihow.
9. Bellerophon, British str., for Singapore.
9. E. of Japan, British str., for Vancouver.
9. Esang, British str., for Swatow.
9. Gueydon, French cruiser, for Japan.
9. Heim, Norwegian str., for Bangkok.
9. Jacob Diederichsen, Ger. str., for Pakhoi.
9. Johanne, German str., for Haiphong.
9. Pekin, British str., for London.
9. Roon, German str., for Shanghai.
9. Sachsen, German str., for Europe.
9. Shantung, British str., for Callao.
9. Siam, British str., for Shanghai.
9. Tholma, Norwegian str., for Hongay.
9. Willehad, German str., for Yokohama.
10. Cranley, British str., for Durban.
10. D. Kotohira Maru, Jap. str., for Kobe.
10. Gaekwar, British str., for Shanghai.
10. Glenfalloch, British str., for Amoy.
10. Haiching, British str., for Coast Ports.
10. Laertes, British str., for Saigon.
10. Manila, British str., for London.
10. Shoshu Maru, Jap. str., for Shanghai.
10. Yochow, British str., for Shanghai.
11. Coptio, British str., for San Francisco.
11. E. Rickmers, German str., for Bangkok.
11. Glauous, British str., for Shanghai.
11. Hanoi, French str., for Haiphong.
11. Hyson, British str., for Shanghai.
11. Ischia, Italian str., for Bombay.
11. Kalgan, British str., for Tsingtau.
11. Merionethshire, British str., for Saigon.
11. Tyr, Norwegian str., for Calcutta.
11. Vandalia, German str., for New York.
11. Waihora, British str., for Amoy.
11. Yuensang, British str., for Manila.
12. Benvenue, British str., for Bangkok.
12. Borneo, German str., from Sandakan.
12. Choyang, British str., for Shanghai.
12. Clara Jebson, German str., for Bangkok.
12. Dortmund, German str., for Calcutta.
12. Gregory Apcar, British str., for Calcutta.
12. Hopsang, British str., for Shanghai.
12. Kwanglee, Chinese str., for Shanghai.
12. Kwanglee, British str., for Chinkiang.
12. M. Rickmers, German str., for Bangkok.
12. Rajaburi, German str., for Amoy.
12. Rubi, British str., for Manila.
12. Tydens, British str., for Nagasaki.
13. Daigi Maru, Japanese str., for Tamsui.
13. Eskdale, British str., for Calcutta.

13. Machew, German str., for Bangkok.
13. Mandal, Norwegian str., for Chefoo.

PASSENGERS.

ARRIVED.

Per Devanha, from Shanghai, for Hongkong, Capt. Kohler, Messrs. Wech and Nance, for Singapore, Mr. Sinclair, for Brindisi via India, Messrs. C. Heuman and T. R. Neil, for Marseilles, Messrs. Ainalie, Davis, Bayfield, Jonnaghi, Connut, Mrs. Mathos and child, for London, Mr. and Mrs. Loder and 2 children, Mrs. Robert Barnett, Mr. O. Weir, Mr. and Mrs. C. Champion and infant, Mr. B. Anderson, Mr. and Mrs. Pitcairn, Mr. and Mrs. Dow and infant, Messrs. W. G. Cowan, T. W. Chapman, E. B. Symonds, Mrs. M. Moorhead and 2 children, Mr. and Mrs. Rowbottom and child, Mr. Spratt, from Kobe for Marseilles, Mr. S. K. Kempton, from Yokohama for Brindisi, Messrs. C. Graman and C. Luchenbach, for London, Miss B. De Pledge, Mr. P. B. Thomson, Mr. and Mrs. Rhodes McKnight, Dr. and Mrs. E. Fanning, Messrs. Haas, A. H. Harmon, S. K. Kempton and Bishop Weldon.

Per Sachsen, for Hongkong from Yokohama, Capt. Bremer, from Shanghai, Messrs. J. C. Bergendahl, A. Raymond, E. Raymond, J. Charignon, M. Thoresen, Meuthen, E. Paulsen and Engineer Scharff.

DEPARTED.

Per Sachsen, for Hamburg, &c., Messrs. C. Albert and Alisch, Mr. and Mrs. S. Bloemendal and children, Mr. Bueller and family, Lieut. Bahdt, Messrs. A. Brenneke, Broad, Mr. and Mrs. Hettin and children, Dr. J. H. Biggar, Messrs. H. de Blank, A. Blass, Boljahn, W. Cornfield, Conscience, G. Chaussee, Dulon, G. Diestel, J. J. Dawe, S. M. Dajiri, B. de l'Escaille de Lier, A. Edelstein, Miss Friesenberg, Mr. and Mrs. Fabri and children, Messrs. F. Flade, Falok, Fahr, Mrs. Gleeson and children, Mr. and Mrs. C. M. Goodliff and children, Capt. Gavin, Mr. and Mrs. Hayne, Consul General J. C. Hall, Messrs. Hollendoorn and family, Hagedorn and family, Hulshoff and family, Mr. and Mrs. Hazanua, Miss E. H. C. Hazanua, Capt. and Mrs. Hatten, Mr. H. A. Hennage, Mrs. Heyne, Mr. Carl Hoehle, Capt. J. Jensen, Mr. Jackson, Mr. and Mrs. Herm. Kaeser, Messrs. S. Kiuchi, M. Kawahara, Klugner, Mr. and Mrs. and Miss Longe, Messrs. Liedtke, Loriaux, Miss Lauro, Dr. van Lierca, Dr. Lutteroff, Mrs. Myhre and child, Mr. D. Moran, Mr. and Mrs. George Mackenzie and children, Messrs. Frans Meuthen, D. C. Marsini, Mr. and Mrs. Nikolai, Messrs. E. Parbury, Ernesto Paulsen, Pock, Perenaud, Mr. and Mrs. G. H. Phillips and child, Mrs. H. Posar, Mr. and Mrs. Pampel and child, Mr. J. Randall, Capt. and Mrs. Richter, Messrs. Rape, A. de Roster, Misses M. B. and E. R. Ross, Capt. Rata, Mr. and Mrs. Straessle, Mrs. Schaffer and child, Mrs. Schefferling and child, Miss Celia A. Sains, Mr. Scheppens and children, Mr. and Mrs. Sungth, Messrs. H. A. E. Thomson, E. G. Turner, Mrs. Thoresen, Capt. Terfeho, Messrs. G. O. de Voss and family, A. Vahlkampff, Capt. and Mrs. Williamson, Mr. H. Wills, Mr. and Mrs. Willmuss and children, Mr. T. Weber, Mr. and Mrs. O. Weigel, Lieut. Walter, Mr. Yates, Mr. and Mrs. E. Zabel, Mr. C. Zung.

Per Empress of Japan, for Vancouver, &c., Dr. Mrs. and Miss Wharry, Mr. and Mrs. Percy Ashton, Count Bismarck-Boben, Count Arnim, Mr. C. A. Weber, Dr. and Mrs. Parks, Miss M. Moab, Miss McConnell, Sir Robt. Pullar, Mrs. and Miss Keyworth, Mr. Fred. Ross, Miss Sharp, Mr. and Mrs. Berumont, Messrs. A. T. G. Smith, D. W. Rodger, Mr. and Mrs. Richards, Mrs. Dickson and children, Mr. and Mrs. Hancock, Miss Hancock, Messrs. W. H. Graham, A. R. Pilkington, Misses Pilkington, Messrs. P. L. Ward, J. C. Alston, H. M. Haywood, Mrs. and Miss Montague-Dean, Mr. Hug, Miss Hull, Mr. Copper, Mr. and Mrs. Laying, Mr. and Mrs. Holt, Messrs. Gordon Shaw, O. Thompson, Mr. and Mrs. Breeden, Mr. A. R. Johnson, Mr. and Mrs. Heavie, Messrs. Wandle, Ezra, Hamer, Dady, Boda, Capt. Ord, Messrs. Luders, Carlwits, Marshall, Dawley, Douglas Graham.

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